

Line No.	Description	Amount
1		
2		
3		
4		
5		
6	Rate Base	\$497,681,177
7		
8	Operating Income at Present Rates	\$29,073,155
9		
10	Earned Rate of return	5.84%
11		
12	Requested Rate of Return	8.30%
13		
14	Required Operating Income	41,307,538
15		
16	Operating Income Deficiency	12,234,383
17		
18	Gross Revenue Conversion Factor	1.63557
19		
20	Revenue Deficiency	\$20,010,153
21		
22	Adjusted Operating Revenues	\$163,449,873
23		
24	Total Revenue Requirement	\$183,460,026
25		
26		
27		
28		
29		
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 Total Company - Water and Sewer

Statement of Income Per Books and Pro Forma  
 Test Year Ended December 31, 2002

Case No. WR-2003-XXX and Case No. SR-2003-XXX  
 Schedule CAS-1  
 Page 2 of 3

Line #		Schedule Reference	Test year Ended 12/31/02	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1	Operating Revenues		\$162,035,846	\$1,414,026	\$163,449,873	\$20,010,153	\$183,460,026
2							
3							
4							
5							
6							
7	Operating Revenues		\$162,035,846	\$1,414,026	\$163,449,873	\$20,010,153	\$183,460,026
8							
9	Operating Expenses						
10	Operating and Maintenance		75,377,336	9,223,750	84,601,086	152,834	84,753,920
11	Depreciation Expense		24,238,736	3,120,663	27,359,399	0	27,359,399
12	Amortization Expense		1,925	158,893	160,818	0	160,818
13							
14	Taxes other Than Income Taxes						
15	Property Taxes		8,952,495	1,601,735	10,554,230	0	10,554,230
16	Payroll Taxes		1,786,754	87,186	1,873,940	0	1,873,940
17	PSC Fees		802,712	0	802,712	0	802,712
18	Other		248,906	(80,094)	168,812	0	168,812
19							
20	Utility Operating Income Before Income Taxes		50,626,982	(12,698,107)	37,928,876	19,857,319	57,786,195
21							
22	Income Taxes						
23	Current Federal Income Tax		3,037,854	(108,112)	2,929,742	6,587,734	9,517,476
24	Current State Income Tax		1,294,946	(834,557)	460,389	1,035,214	1,495,603
25	Deferred Income Taxes		10,676,720	(5,055,947)	5,620,773	0	5,620,773
26	Amortization of Investment Tax Credit		(155,183)	0	(155,183)	0	(155,183)
27							
28	Utility Operating Income		\$35,772,645	(\$6,699,491)	\$29,073,155	\$12,234,371	\$41,307,526
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**Total Company - Water and Sewer**

Line #		Per Books <u>12/31/02</u>	Adjustments	Pro Forma Rate Base
1				
2				
3	<u>Rate Base Component</u>			
4				
5	Utility Plant in Service	889,575,461	47,224,123	936,799,584
6				
7	Accumulated Provision for Depreciation	(233,583,554)	(18,377,587)	(251,961,141)
8				
9	Accumulated Amortization	(457,553)	0	(457,553)
10				
11	Utility Plant Acquisition Adjustments	6,633,337	974,359	7,607,696
12				
13	Net Utility Plant	<u>662,167,691</u>	<u>29,820,895</u>	<u>691,988,586</u>
14				
15				
16	Less:			
17	Customer Advances	54,601,235	7,279,368	61,880,603
18	Contributions in Aid of Construction	97,358,619	(1,075,286)	96,283,333
19	Accumulated Deferred ITC (3%)	46,126	0	46,126
20	Deferred Income Taxes	41,675,668	1,884,306	43,559,974
21	Pension Liability	4,780,453	4,638,612	9,419,065
22				
23				
24	Subtotal	<u>198,462,101</u>	<u>12,727,000</u>	<u>211,189,101</u>
25				
26				
27	Add:			
28	Cash Working Capital	7,507,000	0	7,507,000
29	Materials and Supplies	3,091,931	0	3,091,931
30	Prepayments	518,449	0	518,449
31	OP&B's Contributed to External Fund	1,066,059	(28,234)	1,037,825
32	Premature Retirement	0	0	0
33	Regulatory Deferrals	3,851,571	874,916	4,726,487
34				
35	Subtotal	<u>16,035,010</u>	<u>846,682</u>	<u>16,881,692</u>
36				
37	Total Original Cost Rate Base	<u>479,740,600</u>	<u>17,940,577</u>	<u>497,681,177</u>
38				
39				
40				

Line No.	Description	Supporting Schedule	Amount
1			
2			
3			
4			
5	Rate Base	CAS-3-BRU	\$1,125,616
6			
7			
8	Operating Income at Present Rates	CAS-8-BRU	(37,030)
9			
10	Earned Rate of return		-3.29%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		93,426
15			
16	Operating Income Deficiency		130,456
17			
18	Gross Revenue Conversion Factor		1,63870
19			
20	Revenue Deficiency		213,778
21			
22	Adjusted Operating Revenues	CAS-8-BRU	204,979
23			
24	Total Revenue Requirement		\$418,757
25			
26			
27			
28	Gross Revenue Conversion Factor		
29	Revenue		\$1,000,000
30	Uncollectibles		0.95340%
31	PSC Assessment		9,534
32	Before Tax Amount		0.00000%
33	State Income Taxes		980,466
34	Federal Income Taxes		51,636
35	Total Taxes and Expenses		33.17536%
36	Net Amount		328,591
37			389,761
38	Conversion Factor		\$610,239
39			
40			1,63870

**Rate Base Summary**  
**Test Year Ended December 31, 2002**

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

**Case No. WR-2003-XXX**  
**Schedule CAS-3-BRU**  
**Page 1 of 1**

Line #		Supporting Reference	Per Books 12/31/02	Adjustments	Pro Forma Rate Base
1					
2					
3	Rate Base Component				
4					
5	Utility Plant in Service	CAS-4-BRU	\$1,693,733	\$173,319	\$1,867,052
6					
7	Accumulated Provision for Depreciation	CAS-5-BRU	(528,399)	(34,847)	(563,246)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	1,063	1,063
12					
13	Net Utility Plant		<u>1,165,334</u>	<u>139,535</u>	<u>1,304,869</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-BRU	155	0	155
18	Contributions in Aid of Construction	CAS-6-BRU	153,912	(3,074)	150,838
19	Accumulated Deferred ITC (3%)	W/P's	0		0
20	Deferred Income Taxes	W/P's	80,005	825	80,830
21	Pension Liability	W/P's	4,780	4,639	9,419
22					
23					
24	Subtotal		<u>238,852</u>	<u>2,390</u>	<u>241,242</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-BRU	8,000	0	8,000
29	Materials and Supplies	W/P's	5,278	0	5,278
30	Prepayments	W/P's	518	0	518
31	OPEB's Contributed to External Fund	W/P's	5,010	(132)	4,878
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	25,460	17,855	43,315
34					
35	Subtotal		<u>44,266</u>	<u>17,723</u>	<u>61,989</u>
36					
37	Total Original Cost Rate Base		<u>\$970,748</u>	<u>\$154,867</u>	<u>\$1,125,616</u>
38					
39					
40					

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

Utility Plant in Service  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-4-BRU  
Page 1 of 2

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$510	\$510
3	301	Franchise & Consents	1,092	0	1,092
4	302	Miscellaneous Intangible Plant Studies	2,294	285	2,579
5	303	Subtotal	3,386	795	4,181
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	11,981	0	11,981
8	310	Structures & Improvements	22,231	8,289	30,520
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	141,585	0	141,585
12	314	Supply Mains	80,233	0	80,233
13	316	Subtotal	256,030	8,289	264,319
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	39,237	13,354	52,591
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	1,498	0	1,498
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	100,165	0	100,165
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	8,499	0	8,499
24	328	Subtotal	149,399	13,354	162,753
25		<u>Treatment Plant</u>			
26		Water Treatment Land & land Rights	1,468	0	1,468
27	330	Water Treatment Structures & Improvements	231,379	104,992	336,371
28	331	Water Treatment Equipment	196,270	0	196,270
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	429,117	104,992	534,109
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	591	0	591
33	340	Transmission Reservoirs & Standpipes	25,493	0	25,493
34	341	Transmission & Distribution Mains Conv	77,020	6,447	83,467
35	342	Transmission & Distribution Mains < 4"	272,120	5,250	277,370
36	343	Transmission & Distribution Mains 6" - 8"	32,073	0	32,073
37	343.1	Transmission & Distribution Mains > 10"	32,305	0	32,305
38	343.2	Subtotal	0	0	0
39	343.3	Subtotal	439,602	11,697	451,299
40					

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

Utility Plant in Service  
 For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
 Schedule CAS-4-BRU  
 Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Transmission &amp; Distribution Plant</u>		<u>439,602</u>	<u>11,697</u>	<u>451,299</u>
2	344	Fire mains		0	0	0
3	345	Services		95,121	7,920	103,041
4	346.1	Meters - Bronze Case		14,206	7,368	21,574
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		16,047	0	16,047
7	347	Meter Installation		44,576	0	44,576
8	348	Hydrants		74,440	0	74,440
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		<u>683,992</u>	<u>26,985</u>	<u>710,977</u>
11		<u>General Plant</u>				
12	389	General Land & Land Rights		0	0	0
13	390	Stores Shops Equipment Structures		0	0	0
14	390.1	Office Structures		4,270	171	4,441
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		0	0	0
17	391	Office Furniture and Equipment		3,539	8,691	12,230
18	391.2	Computers & Peripheral Equipment		0	811	811
19	391.25	Computer Software		0	630	630
20	391.26	Personal Computer Software		0	156	156
21	391.3	Other Office Equipment		21,763	14	21,777
22	392.11	Transportation Equipment - Light Trucks		33,587	89	33,676
23	392.12	Transportation Equipment - Heavy Trucks		0	0	0
24	392.2	Transportation Equipment - Cars		0	175	175
25	392.3	Transportation Equipment - Other		0	0	0
26	393	Stores Equipment		10,815	0	10,815
27	394	Tools, Shop, & Garage Equipment		34,278	11	34,289
28	395	Laboratory Equipment		23,330	6,263	29,593
29	396	Power Operated Equipment		0	0	0
30	397	Communication Equipment (non telephone)		2,526	7	2,533
31	397.2	Telephone Equipment		0	29	29
32	398	Miscellaneous Equipment		14,047	1,857	15,904
33	399	Other Tangible Property		23,654	0	23,654
34		Subtotal		<u>171,809</u>	<u>18,904</u>	<u>190,713</u>
35		Total Plant in Service		<u>\$1,693,733</u>	<u>\$173,319</u>	<u>\$1,867,052</u>
36						
37						
38						
39						
40						

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

**Accumulated Depreciation and Amortization**  
**Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-5-BRJ**  
**Page 1 of 2**

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$0	\$0
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	1,579	1,579
5	303		0	1,579	1,579
6		Subtotal	0		
7		<u>Source of Supply Plant</u>			
8	310	Land & Land Rights	0	0	0
9	311	Structures & Improvements	749	(151)	598
10	312	Collection & Impound Reservoirs	0	0	0
11	313	Lake, River, & Other Intakes	0	0	0
12	314	Wells & Springs	49,993	2,959	52,952
13	316	Supply Mains	24,678	1,302	25,980
14		Subtotal	75,419	4,111	79,530
15		<u>Pumping Plant</u>			
16	320	Pumping Land & Land Rights	0	0	0
17	321	Pumping Structures & Improvements	2,211	(519)	1,692
18	322	Boiler Plant Equipment	0	0	0
19	323	Force Mains	631	29	660
20	324	Steam Pumping Equipment	0	0	0
21	325	Electric Pumping Equipment	23,468	3,462	26,930
22	326	Diesel Pumping Equipment	0	0	0
23	327	Pump Equip Hydraulic	0	0	0
24	328	Other Pumping Equipment	132	176	308
25		Subtotal	26,441	3,149	29,590
26		<u>Treatment Plant</u>			
27	330	Water Treatment Land & Land Rights	0	0	0
28	331	Water Treatment Structures & Improvements	115,661	(3,533)	112,128
29	332	Water Treatment Equipment	79,380	5,307	84,687
30	332.4	Water Treatment Equipment - Filter Plant	0	0	0
31		Subtotal	195,041	1,774	196,815
32		<u>Transmission &amp; Distribution Plant</u>			
33	340	Transmission & Distribution Land	0	0	0
34	341	Transmission & Distribution Structures & Improvements	700	1,299	1,999
35	342	Distribution Reservoirs & Standpipes	19,733	750	20,483
36	343	Transmission & Distribution Mains < 4"	129,153	3,359	132,512
37	343.1	Transmission & Distribution Mains < 4"	0	444	444
38	343.2	Transmission & Distribution Mains 6" - 8"	0	447	447
39	343.3	Transmission & Distribution Mains > 10"	0	0	0
40		Subtotal	149,586	6,299	155,885



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

Accumulated Depreciation and Amortization  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-5-BRU  
Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		Transmission & Distribution Plant		149,586	6,299	155,885
2	344	Fire mains		0	0	0
3	345	Services		6,401	1,503	7,904
4	346.1	Meters - Bronze Case		0	0	0
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		15,405	830	16,235
7	347	Meter Installation		(551)	944	393
8	348	Hydrants		25,179	2,088	27,267
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		196,021	11,663	207,684
11		General Plant				
12	389	General Land & Land Rights		0	0	0
13	390	Stores Shops Equipment Structures		0	0	0
14	390.1	Office Structures		275	155	430
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		0	0	0
17	391	Office Furniture and Equipment		2,697	(297)	2,400
18	391.2	Computers & Peripheral Equipment		0	1,859	1,859
19	391.25	Computer Software		0	1,443	1,443
20	391.26	Personal Computer Software		0	314	314
21	391.3	Other Office Equipment		0	1,860	1,860
22	392.11	Transportation Equipment - Light Trucks		0	3,914	3,914
23	392.12	Transportation Equipment - Heavy Trucks		0	0	0
24	392.2	Transportation Equipment - Cars		0	193	193
25	392.3	Transportation Equipment - Other		12,484	(0)	12,484
26	393	Stores Equipment		353	87	440
27	394	Tools, Shop, & Garage Equipment		8,355	1,635	9,990
28	395	Laboratory Equipment		5,818	321	6,139
29	396	Power Operated Equipment		0	0	0
30	397	Communication Equipment (non telephone)		0	244	244
31	397.2	Telephone Equipment		3,051	45	3,096
32	398	Miscellaneous Equipment		2,206	366	2,572
33	399	Other Tangible Property		236	434	670
34		Subtotal		35,476	12,572	48,048
35		Total Plant in Service		\$528,399	\$34,847	\$563,246
36						
37						

Customer Advances and Contributions in Aid of Construction  
 For the Test Year Ended December 31, 2002

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Extensions	155	0	155
5	252.71	Advances for Construction - Taxable Extensions	0	0	0
6		Total Customer Advances	<u>155</u>	<u>0</u>	<u>155</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	0	0	0
13	271.12	Contributions in Aid - NT Extension Deposit	190	0	190
14	271.21	Contributions in Aid - NT Services	1,875	0	1,875
15	271.30	Contributions in Aid - NT Meters	0	0	0
16		Contributions in Aid - NT Hydrants	0	0	0
17		Contributions in Aid - NT Other	0	0	0
18	271.71	Contributions in Aid - Taxable Mains	210,600	0	210,600
19	271.12	Contributions in Aid - Taxable Extension Deposit	7,270	0	7,270
20	271.27	Contributions in Aid - Taxable Services	412	0	412
21	271.37	Contributions in Aid - Taxable Meters	0	0	0
22	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
23	Various	Accumulated Amortization - CIAC	(66,435)	(3,074)	(69,509)
24		Total Contributions in Aid of Construction	<u>153,912</u>	<u>(3,074)</u>	<u>150,838</u>
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Line #	Expense Category	Proforma Proposed Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3	Base Payroll	56,786	156	36.78	10.23	26.55	4,131
4	Tax Withholding	26,982	74	36.78	17.39	19.39	1,433
5	Fuel and Power	10,843	30	36.78	37.22	(0.44)	(13)
6	Chemicals	6,454	18	36.78	36.78	0.00	0
7	Purchased Water	0	0	36.78	53.15	(16.37)	0
8	Service Company Charges	12,380	34	36.78	(4.13)	40.91	1,388
9	Group Insurance	13,747	38	36.78	(8.54)	45.32	1,707
10	OP&B's	1,989	5	36.78	(0.04)	36.82	201
11	Pensions	11,925	33	36.78	36.78	0.00	0
12	ESOP	1,498	4	36.78	36.78	0.00	0
13	Insurance Other than Group	3,556	10	36.78	36.78	0.00	0
14	Uncollectables	1,863	5	36.78	36.78	0.00	0
15	Rents	3,681	10	36.78	24.37	12.41	125
16	401(k)	11,064	30	36.78	48.80	(12.02)	(364)
17	Other O&M	67,655	185	36.78	20.67	16.11	2,986
18							
19	Total O&M Expenses	230,423					11,594
20							
21	Depreciation Amortization Expense	48,009	132	36.78	0.00	36.78	4,838
22	Property Taxes	13,031	36	36.78	182.50	(145.72)	(5,202)
23	Public Service Commission Fee	898	2	36.78	(30.00)	66.78	164
24	Franchise and Environment Tax	360	1	36.78	110.50	(73.72)	(73)
25	FICA Taxes	121	0	36.78	13.44	23.34	8
26	FUTA Taxes	6,234	17	36.78	62.05	(25.27)	(432)
27	SUTA Taxes	0	0	36.78	62.05	(25.27)	0
28	Federal Income Tax - Current	(38,330)	(105)	36.78	60.25	(23.47)	2,465
29	State Income Tax - Current	(6,023)	(17)	36.78	62.17	(25.39)	419
30	Deferred Income Taxes	(3,000)	(8)	36.78	0.00	36.78	(302)
31	Interest Expense	39,469	108	36.78	91.15	(54.37)	(5,879)
32	Preferred Dividends	562	2	36.78	45.63	(8.85)	(14)
33	Total Working Capital Requirement	291,753					7,586
34							
35	Total Cash and Working Capital Requirement Used						8,000
36							
37							
38							
39							
40							

Statement of Income Per Books and Pro Forma  
 For the Test Year Ended December 31, 2002

Line #		Schedule Reference	Test year Ended 12/31/02	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-BRU	\$206,647	(\$1,668)	\$204,979	\$213,778	\$418,757
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-BRU	192,155	28,555	220,710	2,038	222,748
10	Depreciation Expense	CAS-10-BRU	43,236	4,773	48,009		48,009
11	Amortization Expense	CAS-10-BRU	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-BRU	10,973	2,058	13,031		13,031
15	Payroll Taxes	CAS-10-BRU	6,485	(130)	6,355		6,355
16	PSC Fees	CAS-10-BRU	803	0	803	0	803
17	Other	CAS-10-BRU	352	103	455		455
18							
19	Utility Operating Income Before Income Taxes		(47,357)	(37,027)	(84,384)	211,740	127,356
20							
21	Income Taxes						
22	Current Federal Income Tax	CAS-12-BRU	6,561	(44,891)	(38,330)	70,245	31,915
23	Current State Income Tax	CAS-12-BRU	2,797	(8,820)	(6,023)	11,038	5,015
24	Deferred Income Taxes		4,171	(7,171)	(3,000)	0	(3,000)
25	Amortization of Investment Tax Credit		0		0		0
26							
27	Utility Operating Income		(\$60,886)	\$23,856	(\$37,030)	\$130,457	\$93,427
28							
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Brunswick

Adjustment to Revenues Per Books and Pro Forma  
 For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
 Schedule CAS-9-BRU  
 Page 1 of 1

Line #		Test Year Ending 12/31/02	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalization & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1	Sales of Water							
2	Metered Sales							
3	Residential	\$100,007	\$291	(\$94)	\$100,204	(\$3,041)		\$97,163
4	Commercial	24,018	(41)	220	24,197	(81)		24,116
5	Industrial	723	18	0	741			741
6	Other Public Authority	3,573	(30)	1	3,544			3,544
7	Sales for Resale	63,681	1,089	0	64,770			64,770
8	Miscellaneous	0	0	0	0			0
9	Total Metered Sales	192,002	1,327	127	193,456	(3,122)	0	190,334
10	Sewer Service							
11		0	0	0	0	0	0	0
12	Fire Service							
13	Private Fire Service	5,071	0	0	5,071		0	5,071
14	Total Fire Service	5,071	0	0	5,071	0	0	5,071
15	Total Sales of Water	197,073	1,327	127	198,527	(3,122)	0	195,405
16	Other Operating Revenues							
17	Reconnect Charges	200			200			200
18	Returned Check Charge	60			60			60
19	Application Fee	2,000			2,000			2,000
20	Miscellaneous Other Revenue	7,314			7,314			7,314
21	Rents from Water Property	0			0			0
22	Total Other Operating Revenues	9,574	0	0	9,574	0	0	9,574
23	Total Operating Revenues	\$206,647	\$1,327	\$127	\$208,101	(3,122)	0	\$204,979
24								
25								
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**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Brunswick**

Line #

1 The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated.  
 2 Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-BRU which provides additional detail and support.  
 3  
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Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
Labor	CAS-11-BRU	\$83,751	\$18	\$83,769
Purchased Water	CAS-11-BRU	0	0	0
Fuel and Power	CAS-11-BRU	10,979	(135)	10,844
Chemicals	CAS-11-BRU	5,681	773	6,454
Waste Disposal	CAS-11-BRU	3,514	(464)	3,050
Management Fees	CAS-11-BRU	7,529	4,851	12,380
Group Insurance	CAS-11-BRU	15,736	4,858	20,594
Pensions	CAS-11-BRU	1,979	9,946	11,925
Regulatory Expense	CAS-11-BRU	539	(266)	273
Insurance, Other than Group	CAS-11-BRU	3,080	476	3,556
Customer Accounting	CAS-11-BRU	7,691	(118)	7,573
Rents	CAS-11-BRU	327	3,354	3,681
General Office Expense	CAS-11-BRU	5,131	(651)	4,480
Miscellaneous	CAS-11-BRU	16,788	2,771	19,559
Maintenance - Other	CAS-11-BRU	29,430	3,142	32,572
Total Operations and Maintenance		192,155	28,555	220,710
Depreciation	CAS-11-BRU	43,236	4,773	48,009
Amortization	CAS-11-BRU	0	0	0
Total Depreciation and Amortization		43,236	4,773	48,009
Property Taxes	CAS-11-BRU	10,973	2,058	13,031
Payroll Taxes	CAS-11-BRU	6,485	(130)	6,355
PSC Fees	CAS-11-BRU	803	0	803
Other General Taxes	CAS-11-BRU	352	103	455
Total Taxes Other Than Income Taxes		18,613	2,031	20,644

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

Line  
No.

2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41
Line Number	Description	Test Year Ended 31-Dec-02	Schedule CAS-15 p1 Labor Expense	Schedule CAS-15 p2 Group Ins Expense	Schedule CAS-15 p3 Pension Expense	Schedule CAS-15 p4 401K/ELP Expense	Schedule CAS-15 p5 Payroll Taxes Expense	Schedule CAS-15 p6 Fuel & Power Expense	Schedule CAS-15 p7 Chemical Expense	Schedule CAS-15 p8 Purch Water Expense																													
8	Labor	\$83,751	\$18																																				
9	Purchased Water	0								0																													
10	Fuel and Power	10,979						(135)																															
11	Chemicals	5,681							773																														
12	Waste Disposal	3,514																																					
13	Management Fees	7,529																																					
14	Group Insurance	15,736		4,858																																			
15	Pensions	1,979			9,946																																		
16	Regulatory Expense	539																																					
17	Insurance Other Than Group	3,080																																					
18	Customer Accounting	7,691																																					
19	Rents	327																																					
20	General Office Expense	5,131																																					
21	Miscellaneous	16,788				(29)																																	
25	Maintenance - Other	29,430																																					
	Total Operations and Maintenance	192,155	18	4,858	9,946	(29)	0	(135)	773	0																													
27	Depreciation	43,236																																					
28	Amortization	0																																					
	Total Depreciation and Amortization	43,236	0	0	0	0	0	0	0	0																													
29a	Property Taxes	10,973																																					
29b	Payroll taxes	6,485					(130)																																
29c	Gross Receipts Taxes	803																																					
29d	Other General Taxes	352																																					
	Total Taxes other than income	18,613	0	0	0	0	(130)	0	0	0																													

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

Line  
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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Brunswick

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**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**Division: Brunswick**

Line  
No.[illegible]

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

The Company's federal and state income taxes will be affected by all of the pro forma adjustments made at present and proposed rates.

Line #		At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1	Utility Operating Income Before Income Taxes	(\$84,384)	(\$84,384)	\$127,356	\$127,356
2					
3	Interest Expense Deduction	39,509	39,509	39,509	39,509
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14	Income Before Addbacks (Deducts)	(123,893)	(123,893)	87,847	87,847
15					
16	Addback (Deducts):				
17	Tax over Book Depreciation	8,283	8,283	8,283	8,283
18	Non-deductible Meals	70	70	70	70
19	Amortization Preferred Stock Expense	1	1	1	1
20	Non-deductible Reserve Deficiency	0	0	0	0
21					
22	Total Addbacks (Deducts)	8,354	8,354	8,354	8,354
23					
24	Taxable Income	(115,539)	(115,539)	96,201	96,201
25					
26	Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
27					
28	Proforma Income Tax at Present / Proposed Rates	(38,330)	(6,023)	31,915	5,015
29					
30	Per Books Amount / Present Rates	6,561	2,797	(38,330)	(6,023)
31					
32	Proforma adjustment	(\$44,891)	(\$8,820)	\$70,245	\$11,038
33					
34					
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(1) Based on a 6.25% statutory rate for SIT and 35% for FIT

**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

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

**Case No. W/R-2003-XXX**  
**Schedule CAS-13-BRU**  
**Page 1 of 1**

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales (000 Gal)	Total Revenue	Sales (000 Gal)	Total Revenue		
1							
2	<b>Monthly Billing:</b>						
3							
4	Residential	17,277	\$97,163	17,277	\$94,582	(\$2,581)	-2.66%
5	Commercial	5,054	24,126	5,054	24,571	445	1.84%
6	Industrial	91	741	91	578	(163)	-22.00%
7	Other Public Authority	672	3,544	672	3,144	(400)	-11.29%
8	Other Water Utilities	15,812	64,770	15,812	52,275	(12,495)	-19.29%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	5,071	0	5,071	0	0.00%
11	Public Fire	0	0	0	15,263	15,263	0.00%
12	Total	38,905	195,415	38,905	195,484	\$69	0.04%
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		200		200	0	0.00%
18	Returned Check Charge		60		60	0	0.00%
19	Application Fee		2,000		2,000	0	0.00%
20	Miscellaneous Other Revenue		7,314		7,314	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$204,989</u>		<u>\$205,058</u>	<u>69</u>	<u>0.03%</u>
25							
26							
27							
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**12 Month Test Period Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-BRU**  
**Page 1 of 7**

	Present Pro Forma Rates						Proposed Pro Forma Rates						
Line #	Class/ Description	Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Dollar Change	Percentage Change	Customer Meter Billings	Sales (('000 Gal))	Proposed Rate	Total Revenue	Dollar Change	Percentage Change
1	Residential:												
2	Minimum Charge:												
3	5/8" Monthly	4,449	\$7.08	\$31,500		\$6,317	20.05%	4,449	\$8.50	\$37,817			
4	3/4" Monthly	0	9.06	0		0	0.00%	0	10.90	0			
5	1" Monthly	4	12.84	50		10	20.00%	4	15.40	60			
6	1-1/2" Monthly	0	22.33	0		0	0.00%	0	26.80	0			
7	2" Monthly	35	33.71	1,180		238	20.17%	35	40.50	1,418			
8	3" Monthly	0	60.24	0		0	0.00%	0	72.00	0			
9	4" Monthly	0	98.15	0		0	0.00%	0	118.00	0			
10	6" Monthly	0	192.93	0		0	0.00%	0	232.00	0			
11	8" Monthly	0	306.65	0		0	0.00%	0	368.00	0			
12	10" Monthly	0	520.92	0		0	0.00%	0	625.00	0			
13	12" Monthly	0	859.27	0		0	0.00%	0	1,032.00	0			
14	Volumetric Charges:												
15	First Block	17,236	\$3.7333	64,348		(9,192)	-14.28%	17,236	\$3.2000	55,156			
16	Second Block	41	2.0914	85		46	54.12%	41	3.2000	131			
17	Third Block	0	1.6140	0		0	0.00%	0	3.2000	0			
18	Fourth Block	0	1.0869	0		0	0.00%	0	3.2000	0			
19	FAL's and Credits	0		0		0	0.00%	0		0			
20	Reconcile to Books					0	0.00%						
21	Total	17,277		\$97,163		(\$2,581)	-2.66%	17,277		\$94,582			

**12 Month Test Period Ended December 31, 2002**

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

**Case No. WR-2003-XXX  
Schedule CAS-14-BRU  
Page 2 of 7**

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## 12 Month Test Period Ended December 31, 2002

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

Case No. WR-2003-XXX  
Schedule CAS-14-BRU  
Page 3 of 7

Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue		
1	Industrial:										
2	Minimum Charge:										
3	5/8" Monthly	12		\$7.08	\$85	12		\$8.50	\$102	\$17	20.00%
4	3/4" Monthly	0		9.06	0	0		10.90	0	0	0.00%
5	1" Monthly	12		12.84	154	12		15.40	185	31	20.13%
6	1-1/2" Monthly	0		22.33	0	0		26.80	0	0	0.00%
7	2" Monthly	0		33.71	0	0		40.50	0	0	0.00%
8	3" Monthly	0		60.24	0	0		72.00	0	0	0.00%
9	4" Monthly	0		98.15	0	0		118.00	0	0	0.00%
10	6" Monthly	0		192.93	0	0		232.00	0	0	0.00%
11	8" Monthly	0		306.65	0	0		368.00	0	0	0.00%
12	10" Monthly	0		520.92	0	0		625.00	0	0	0.00%
13	12" Monthly	0		859.27	0	0		1,032.00	0	0	0.00%
14											
15											
16											
17	<u>Volumetric Charges:</u>										
18	First Block		92	\$5.5215	505		92	\$3.2000	293	(212)	-41.98%
19	Second Block		0	3.0931	0		0	2.3000	0	0	0.00%
20	Third Block		0	2.3870	0		0	2.3000	0	0	0.00%
21	Fourth Block		0	1.6075	0		0	2.0000	0	0	0.00%
22	FAL's and Credits		(1)		(3)		(1)		(2)	1	-33.33%
23	Reconcile to Books									0	0.00%
24	Total		91		\$741		91		\$578	(\$163)	-22.00%

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**12 Month Test Period Ended December 31, 2002**

**Case No. WR-2003-XXX  
Schedule CAS-14-BRU  
Page 4 of 7**

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## 12 Month Test Period Ended December 31, 2002

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

Case No. WR-2003-XXX  
Schedule CAS-14-BRU  
Page 5 of 7

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**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

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

**Case No. WR-2003-XXX**  
**Schedule CAS-14-BRU**  
**Page 7 of 7**

Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1	Private Fire Service:							
2								
3								
4	Private Fire Hydrant	3.00	\$1,252.68	\$3,758	1,252.68	\$3,758	\$0	0.00%
5								
6	2"	0.00	179.52	0	179.52	0	0	0.00%
7								
8	3"	0.00	308.52	0	308.52	0	0	0.00%
9								
10	4"	0.00	489.48	0	489.48	0	0	0.00%
11								
12	6"	1.31	1,003.80	1,313	1,003.80	1,313	0	0.00%
13								
14	8"	0.00	1,727.16	0	1,727.16	0	0	0.00%
15								
16	10"	0.00	2,654.88	0	2,654.88	0	0	0.00%
17								
18	12"	0.00	3,785.40	0	3,785.40	0	0	0.00%
19								
20	FAL's and Credits			0		0	0	0.00%
21								
22	Total	4		\$5,071		\$5,071	\$0	0.00%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	58	0.00	0	263.16	15,263	15,263	0.00%
29								
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Overall Revenue Requirement Summary  
 For the Test Year Ended December 31, 2002

Line No.	Description	Supporting Schedule	Amount
1			
2			
3			
4			
5			
6	Rate Base	CAS-3-JFC	\$11,829,628
7			
8	Operating Income at Present Rates	CAS-8-JFC	720,132
9			
10	Earned Rate of return		6.09%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		981,859
15			
16	Operating Income Deficiency		261,727
17			
18	Gross Revenue Conversion Factor		1.63937
19			
20	Revenue Deficiency		429,068
21			
22	Adjusted Operating Revenues	CAS-8-JFC	4,065,029
23			
24	Total Revenue Requirement		\$4,494,097
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		\$1,000,000
30	Revenue		9.942
31	Uncollectibles		0.99420%
32	PSC Assessment		0.00000%
33	Before Tax Amount		990,058
34	State Income Taxes		51,614
35	Federal Income Taxes		328,455
36	Total Taxes and Expenses		390,011
37	Net Amount		\$609,989
38			
39	Conversion Factor		1.63937
40			

**Rate Base Summary**  
**Test Year Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Jefferson City**

**Case No. WR-2003-XXX**  
**Schedule CAS-3-JFC**  
**Page 1 of 1**

Line #		Supporting Reference	Per Books <u>12/31/02</u>	Adjustments	Pro Forma Rate Base
1					
2					
3	<u>Rate Base Component</u>				
4					
5	Utility Plant in Service	CAS-4-JFC	17,795,859	1,224,861	19,020,720
6					
7	Accumulated Provision for Depreciation	CAS-5-JFC	(3,697,965)	(277,517)	(3,975,482)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	25,515	25,515
12					
13	Net Utility Plant		<u>14,097,894</u>	<u>972,859</u>	<u>15,070,753</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-JFC	31,830	393,840	425,670
18	Contributions in Aid of Construction	CAS-6-JFC	2,260,365	(27,765)	2,232,600
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	903,813	60,037	963,850
21	Pension Liability	W/P's	114,731	111,327	226,058
22					
23					
24	Subtotal		<u>3,310,739</u>	<u>537,439</u>	<u>3,848,178</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-JFC	49,000	0	49,000
29	Materials and Supplies	W/P's	196,425	0	196,425
30	Prepayments	W/P's	12,443	0	12,443
31	OPEB's Contributed to External Fund	W/P's	0	0	0
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	308,048	41,137	349,185
34					
35	Subtotal		<u>565,916</u>	<u>41,137</u>	<u>607,053</u>
36					
37	Total Original Cost Rate Base		<u>11,353,071</u>	<u>476,557</u>	<u>11,829,628</u>
38					
39					
40					

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Intangible Plant</u>			
2		Organization	\$772	\$12,235	\$13,007
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	9,136	9,136
5	303	Subtotal	772	21,371	22,143
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	3,755	0	3,755
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	85,460	0	85,460
11	313	Wells & Springs	0	0	0
12	314	Supply Mains	0	0	0
13	316	Subtotal	89,215	0	89,215
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	944	0	944
16	320	Pumping Structures & Improvements	609,548	19,341	628,889
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	0	0	0
19	323	Steam Pumping Equipment	0	13,815	13,815
20	324	Electric Pumping Equipment	1,115,926	15,196	1,131,122
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	0	0	0
24	328	Subtotal	1,726,418	48,352	1,774,770
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	50,762	0	50,762
27	330	Water Treatment Structures & Improvements	1,923,592	299,320	2,222,912
28	331	Water Treatment Equipment	2,803,199	0	2,803,199
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	4,777,553	299,320	5,076,873
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	45,514	0	45,514
33	340	Transmission & Distribution Structures & Improvements	39,239	0	39,239
34	341	Distribution Reservoirs & Standpipes	954,615	12,894	967,509
35	342	Transmission & Distribution Mains < 4"	6,102,740	0	6,102,740
36	343	Transmission & Distribution Mains < 4"	11,535	0	11,535
37	343.1	Transmission & Distribution Mains 6" - 8"	143,075	300,701	443,776
38	343.2	Transmission & Distribution Mains > 10"	913,686	0	913,686
39	343.3	Subtotal	8,210,404	313,595	8,523,999
40					

Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Jefferson City

Utility Plant in Service  
 For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
 Schedule CAS-4-JFC  
 Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Transmission &amp; Distribution Plant</u>		<u>8,210,404</u>	<u>313,595</u>	<u>8,523,999</u>
2	344	Fire mains		0	0	0
3	345	Services		236,876	23,946	260,822
4	346.1	Meters - Bronze Case		0	152,883	152,883
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		757,901	0	757,901
7	347	Meter Installation		983	0	983
8	348	Hydrants		936,059	0	936,059
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		<u>10,142,223</u>	<u>490,424</u>	<u>10,632,647</u>
11		General Plant				
12		General Land & Land Rights		7,181	0	7,181
13	389	Stores Shops Equipment Structures		0	0	0
14	390	Office Structures		224,797	4,099	228,896
15	390.1	General Structures - HVAC		0	0	0
16	390	Miscellaneous Structures		0	0	0
17	390.3	Office Furniture and Equipment		31,957	233,985	265,942
18	391	Computers & Peripheral Equipment		320,403	19,473	339,876
19	391.2	Computer Software		0	15,119	15,119
20	391.25	Personal Computer Software		0	3,744	3,744
21	391.26	Other Office Equipment		0	342	342
22	391.3	Transportation Equipment - Light Trucks		90,781	21,005	111,786
23	392.11	Transportation Equipment - Heavy Trucks		0	0	0
24	392.12	Transportation Equipment - Cars		20,483	4,200	24,683
25	392.2	Transportation Equipment - Other		0	0	0
26	392.3	Stores Equipment		1,524	0	1,524
27	393	Tools, Shop, & Garage Equipment		131,977	10,159	142,136
28	394	Laboratory Equipment		43,364	0	43,364
29	395	Power Operated Equipment		85,052	0	85,052
30	396	Communication Equipment (non telephone)		61,783	50,824	112,607
31	397	Telephone Equipment		0	700	700
32	397.2	Miscellaneous Equipment		40,376	1,744	42,120
33	398	Other Tangable Property		0	0	0
34	399	Subtotal		<u>1,059,678</u>	<u>365,394</u>	<u>1,425,072</u>
35		Total Plant in Service		<u>\$17,795,859</u>	<u>\$1,224,861</u>	<u>\$19,020,720</u>
36						
37						
38						
39						
40						

Accumulated Depreciation and Amortization  
 Test Year Ended December 31, 2002

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$0	\$0
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	(190)	(190)
5	303	Subtotal	0	(190)	(190)
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	2,416	69	2,485
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	28,773	2,460	31,233
11	313	Wells & Springs	0	0	0
12	314	Supply Mains	0	0	0
13	316	Subtotal	31,190	2,528	33,718
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	49,354	23,381	72,735
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	0	0	0
19	323	Steam Pumping Equipment	0	(1,140)	(1,140)
20	324	Electric Pumping Equipment	279,568	27,388	306,956
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	0	0	0
24	328	Subtotal	328,923	49,628	378,551
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	245,555	16,916	262,471
28	331	Water Treatment Equipment	997,594	77,088	1,074,682
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	1,243,149	94,004	1,337,153
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	0	0	0
33	340	Transmission Structures & Improvements	2,604	1,057	3,661
34	341	Distribution Reservoirs & Standpipes	0	16,175	16,175
35	342	Transmission & Distribution Mains Conv	1,257,152	74,962	1,332,114
36	343	Transmission & Distribution Mains < 4"	0	142	142
37	343.1	Transmission & Distribution Mains 6" - 8"	0	(23,054)	(23,054)
38	343.2	Transmission & Distribution Mains > 10"	0	11,223	11,223
39	343.3	Subtotal	1,259,756	80,505	1,340,261
40					



Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: Jefferson City

Accumulated Depreciation and Amortization  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-5-JFC  
Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		Transmission & Distribution Plant		1,259,756	80,505	1,340,261
2	344	Fire mains		0	0	0
3	345	Services		3,433	1,651	5,084
4	346.1	Meters - Bronze Case		0	(12,615)	(12,615)
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		112,424	22,649	135,073
7	347	Meter Installation		80	29	109
8	348	Hydrants		282,673	18,277	300,950
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		1,658,367	110,495	1,768,862
11		General Plant				
12	389	General Land & Land Rights		0	0	0
13	390	Stores Shops Equipment Structures		0	0	0
14	390.1	Office Structures		86,824	7,233	94,057
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		0	0	0
17	391	Office Furniture and Equipment		89,758	(18,094)	71,664
18	391.2	Computers & Peripheral Equipment		0	9,898	9,898
19	391.25	Computer Software		0	0	0
20	391.26	Personal Computer Software		0	0	0
21	391.3	Other Office Equipment		0	0	0
22	392.11	Transportation Equipment - Light Trucks		39,884	4,999	44,883
23	392.12	Transportation Equipment - Heavy Trucks		0	0	0
24	392.2	Transportation Equipment - Cars		0	1,480	1,480
25	392.3	Transportation Equipment - Other		0	0	0
26	393	Stores Equipment		434	70	504
27	394	Tools, Shop, & Garage Equipment		76,499	5,511	82,010
28	395	Laboratory Equipment		9,498	1,805	11,303
29	396	Power Operated Equipment		99,879	7,602	107,481
30	397	Communication Equipment (non telephone)		28,373	(1,020)	27,353
31	397.2	Telephone Equipment		0	0	0
32	398	Miscellaneous Equipment		5,189	1,566	6,755
33	399	Other Tangible Property		0	0	0
34		Subtotal		436,337	21,051	457,388
35		Total Plant in Service		\$3,697,965	\$277,517	\$3,975,482
36						
37						

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Extensions	31,830	393,840	425,670
5	252.71	Advances for Construction - Taxable Extensions	0	0	0
6		Total Customer Advances	<u>31,830</u>	<u>393,840</u>	<u>425,670</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	0	0	0
13	271.12	Contributions in Aid - NT Extension Deposit	0	0	0
14	271.21	Contributions in Aid - NT Services	0	0	0
15	271.30	Contributions in Aid - NT Meters	0	0	0
16		Contributions in Aid - NT Hydrants	0	0	0
17		Contributions in Aid - NT Other	2,260,365	0	2,260,365
18	271.71	Contributions in Aid - Taxable Mains	0	0	0
19	271.12	Contributions in Aid - Taxable Extension Deposit	0	0	0
20	271.27	Contributions in Aid - Taxable Services	0	0	0
21	271.37	Contributions in Aid - Taxable Meters	0	0	0
22	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
23	Various	Accumulated Amortization - CIAC	0	(27,765)	(27,765)
24		Total Contributions in Aid of Construction	<u>2,260,365</u>	<u>(27,765)</u>	<u>2,232,600</u>
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Line #	Expense Category	Proforma Proposed Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3							
4	Base Payroll	520,419	1,426	38.41	13.38	25.03	35,688
5	Tax Withholding	247,274	677	38.41	18.68	19.73	13,366
6	Fuel and Power	232,342	637	38.41	31.66	6.75	4,297
7	Chemicals	172,202	472	38.41	21.41	17.00	8,020
8	Purchased Water	0	0	38.41	31.66	6.75	0
9	Service Company Charges	297,127	814	38.41	45.58	(7.17)	(5,837)
10	Group Insurance	113,235	310	38.41	23.20	15.21	4,719
11	OPEB's	85,972	236	38.41	20.56	17.85	4,204
12	Pensions	118,837	326	38.41	15.21	23.20	7,553
13	ESOP	16,370	45	38.41	20.56	17.85	801
14	Insurance Other than Group	68,530	188	38.41	15.21	23.20	4,356
15	Uncollectibles	40,174	110	38.41	20.56	17.85	1,965
16	Rents	50,858	139	38.41	20.56	17.85	2,487
17	401(k)	97,085	266	38.41	20.56	17.85	4,748
18	Other O&M	505,242	1,384	38.41	20.56	17.85	53,168
19	Total O&M Expenses	2,565,667				38.41	139,535
20							
21	Depreciation Amortization Expense	409,404	1,122	38.41	0.00	38.41	43,083
22	Property Taxes	220,864	605	38.41	182.50	(144.09)	(87,190)
23	Public Service Commission Fee	17,799	49	38.41	30.50	7.91	386
24	Franchise and Environment Tax	(3,376)	(9)	38.41	(78.00)	116.41	(1,077)
25	FICA Taxes	974	3	38.41	18.68	19.73	53
26	FUTA Taxes	57,113	156	38.41	18.68	19.73	3,087
27	SUTA Taxes	11	0	38.41	74.63	(36.22)	(1)
28	Federal Income Tax - Current	44,359	122	38.41	60.25	(21.84)	(2,654)
29	State Income Tax - Current	6,971	19	38.41	62.17	(23.76)	(454)
30	Deferred Income Taxes	138,566	380	38.41	0.00	38.41	14,582
31	Interest Expense	415,202	1,138	38.41	91.15	(52.74)	(59,994)
32	Preferred Dividends	5,915	16	38.41	45.63	(7.22)	(117)
33	Total Working Capital Requirement	3,879,469					49,239
34							
35	Total Cash and Working Capital Requirement Used						49,000
36							
37							
38							
39							
40							

Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: Jefferson City

Statement of Income Per Books and Pro Forma  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-8-JFC  
Page 1 of 1

Line #		Schedule Reference	Test year Ended 12/31/02	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-JFC	\$3,965,799	\$99,230	\$4,065,029	\$429,068	\$4,494,097
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-JFC	2,198,843	253,369	2,452,212	4,266	2,456,478
10	Depreciation Expense	CAS-10-JFC	377,344	32,060	409,404		409,404
11	Amortization Expense	CAS-10-JFC	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-JFC	174,230	46,634	220,864		220,864
15	Payroll Taxes	CAS-10-JFC	57,968	130	58,098		58,098
16	PSC Fees	CAS-10-JFC	19,271	0	19,271	0	19,271
17	Other	CAS-10-JFC	(3,555)	(1,293)	(4,848)		(4,848)
18							
19	Utility Operating Income Before Income Taxes		1,141,698	(231,671)	910,027	424,802	1,334,829
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-JFC	(110,060)	154,419	44,359	140,929	185,288
23	State Income Tax	CAS-12-JFC	(46,915)	53,886	6,971	22,146	29,117
24	Deferred Income Taxes		533,645	(390,151)	143,494	0	143,494
25	Amortization of Investment Tax Credit		(4,928)		(4,928)		(4,928)
26							
27	Utility Operating Income		\$769,956	(\$49,824)	\$720,132	\$261,727	\$981,859
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: Jefferson City

Adjustment to Revenues Per Books and Pro Forma  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-9-JFC  
Page 1 of 1

Line #		Test year Ending 12/31/02	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalization & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1	Sales of Water							
2	Metered Sales							
3	Residential	\$2,076,687	\$3,544	(\$4,660)	\$2,075,571	\$45,144		\$2,120,715
4	Commercial	1,535,305	15	(1,360)	1,533,960	51,164		1,585,124
5	Industrial	181,523	2,129	(40)	183,612			183,612
6	Other Public Authority	38,979	2,692	(1,400)	40,271			40,271
7	Sales for Resale	(1,035)	1,035	0	0			0
8	Miscellaneous	0	0	0	0			0
9	Total Metered Sales	3,831,458	9,416	(7,460)	3,833,413	96,308	0	3,929,721
10	Sewer Service							
11		0	0	0	0			0
12	Fire Service							
13	Private Fire Service	110,191		529	110,720		437	111,157
14	Total Fire Service	110,191	0	529	110,720	0	437	111,157
15	Total Sales of Water	3,941,649	9,416	(6,931)	3,944,134	96,308	437	4,040,879
16	Other Operating Revenues							
17	Reconnect Charges	13,220			13,220			13,220
18	Returned Check Charge	4,582			4,582			4,582
19	Application Fee	0			0			0
20	Miscellaneous Other Revenue	6,205			6,205			6,205
21	Rents from Water Property	0			0			0
22	Miscellaneous Unmetered Sales	144			144			144
23	Total Other Operating Revenues	24,150	0	0	24,150	0	0	24,150
24	Total Operating Revenues	\$3,965,799	\$9,416	(\$6,931)	\$3,968,284	\$96,308	\$437	\$4,065,029

Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Jefferson City

The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated.  
 Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-JFC which provides additional detail and support.

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
1					
2					
3					
4					
5					
6					
7	Labor	CAS-11-JFC	740,386	27,308	767,694
8	Purchased Water	CAS-11-JFC	0	0	0
9	Fuel and Power	CAS-11-JFC	233,712	(1,370)	232,342
10	Chemicals	CAS-11-JFC	160,351	11,851	172,202
11	Waste Disposal	CAS-11-JFC	0	0	0
12	Management Fees	CAS-11-JFC	180,653	116,474	297,127
13	Group Insurance	CAS-11-JFC	199,207	(24,223)	174,984
14	Pensions	CAS-11-JFC	35,320	83,517	118,837
15	Regulatory Expense	CAS-11-JFC	12,938	(6,387)	6,551
16	Insurance, Other than Group	CAS-11-JFC	79,201	(10,671)	68,530
17	Customer Accounting	CAS-11-JFC	59,745	1,862	61,607
18	Rents	CAS-11-JFC	39,926	10,932	50,858
19	General Office Expense	CAS-11-JFC	83,693	167	83,860
20	Miscellaneous	CAS-11-JFC	230,594	24,291	254,885
21	Maintenance - Other	CAS-11-JFC	143,117	19,619	162,736
22	Total Operations and Maintenance		2,198,843	253,369	2,452,212
23					
24	Depreciation	CAS-11-JFC	377,344	32,060	409,404
25	Amortization	CAS-11-JFC	0	0	0
26	Total Depreciation and Amortization		377,344	32,060	409,404
27					
28	Property Taxes	CAS-11-JFC	174,230	46,634	220,864
29	Payroll Taxes	CAS-11-JFC	57,968	130	58,098
30	PSC Fees	CAS-11-JFC	19,271	0	19,271
31	Other General Taxes	CAS-11-JFC	(3,555)	(1,293)	(4,848)
32	Total Taxes Other Than Income Taxes		247,914	45,471	293,385
33					
34					
35					
36					
37					
38					
39					
40					

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Jefferson City

Line No.

[illegible]

**Overall Revenue Requirement Summary**  
**For the Test Year Ended December 31, 2002**

Case No. WR-2003-XXX  
Schedule CAS-11-JFC  
Page 2 of 4

[illegible]



Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Jefferson City

Line  
No.[illegible]

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Jefferson City

Line  
No.[illegible]

Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Jefferson City

Line #      The Company's federal and state income taxes will be affected by all of the pro forma adjustments made at present and proposed rates.

	At Present Rates		At Proposed Rates	
	Federal	State	Federal	State
Utility Operating Income Before Income Taxes	\$910,027	\$910,027	\$1,334,829	\$1,334,829
Interest Expense Deduction	415,220	415,220	415,220	415,220
Taxable Income	494,807	494,807	919,609	919,609
Addback (Deducts):				
Tax over Book Depreciation	(362,805)	(362,805)	(362,805)	(362,805)
Non-deductible Meals	1,677	1,677	1,677	1,677
Amortization Preferred Stock Expense	30	30	30	30
Non-deductible Reserve Deficiency	0	0	0	0
Total Addbacks (Deducts)	(361,098)	(361,098)	(361,098)	(361,098)
Taxable Income	133,709	133,709	558,511	558,511
Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates	44,359	6,971	185,288	29,117
Per Books Amount / Present Rates	(110,060)	(46,915)	44,359	6,971
Proforma adjustment	\$154,419	\$53,886	\$140,929	\$22,146

(1) Based on a 6.25% statutory rate for SIT and 35% for FIT

**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Jefferson City**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-JFC**  
**Page 1 of 1**

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	<b>Monthly Billing:</b>						
3							
4	Residential	535,712	\$2,120,708	535,712	\$2,239,489	\$118,781	5.60%
5	Commercial	549,045	1,585,113	549,045	1,644,132	59,019	3.72%
6	Industrial	99,660	183,612	99,660	198,780	15,168	8.26%
7	Other Public Authority	13,079	40,271	13,079	43,575	3,304	8.20%
8	Other Water Utilities	0	0	0	0	0	0.00%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	111,156	0	111,156	0	0.00%
11	Public Fire	0	0	0	232,727	232,727	0.00%
12	Total	<u>1,197,496</u>	<u>4,040,860</u>	<u>1,197,496</u>	<u>4,469,859</u>	<u>\$428,999</u>	<u>10.62%</u>
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		13,220		13,220	0	0.00%
18	Returned Check Charge		4,582		4,582	0	0.00%
19	Application Fee		0		0	0	0.00%
20	Miscellaneous Other Revenue		6,205		6,205	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22	Miscellaneous Unmetered Sales		144		144	0	0.00%
23							
24			<u>\$4,065,010</u>		<u>\$4,494,009</u>	<u>428,999</u>	<u>10.55%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission  
Company: Missouri-American Water  
District: Jefferson City**

Case No. WR-2003-XXX  
Schedule CAS-14-JFC  
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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission  
Company: Missouri-American Water  
District: Jefferson City**

**Case No. WR-2003-XXXX**  
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**12 Month Test Period Ended December 31, 2002**

**Case No. WR-2003-XXX  
Schedule CAS-14-JFC  
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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change		
		Customer		Sales (000 Gal)	Current Rate	Total Revenue	Customer		Sales (000 Gal)			Proposed Rate	Total Revenue
		Meter Billings					Meter Billings						
1	State Penitentiary (Interruptible Rate):												
2	Minimum Charge:												
3	5/8" Monthly	0		\$7.76	\$0	0		\$8.50	\$0	\$0	0.00%		
4	3/4" Monthly	0		8.49	0	0		10.90	0	0	0.00%		
5	1" Monthly	0		9.96	0	0		15.40	0	0	0.00%		
6	1-1/2" Monthly	0		13.63	0	0		26.80	0	0	0.00%		
7	2" Monthly	0		18.02	0	0		40.50	0	0	0.00%		
8	3" Monthly	0		28.30	0	0		72.00	0	0	0.00%		
9	4" Monthly	12		42.97	516	12		118.00	1,416	900	174.42%		
10	6" Monthly	0		79.63	0	0		232.00	0	0	0.00%		
11	8" Monthly	0		0.00	0	0		368.00	0	0	0.00%		
12													
13	Volumetric Charges:												
14	First Block			1,355	\$3.0133	4,084		1,355	\$2.4780	3,358	(726)	-17.78%	
15	Second Block			1,046	1.7200	1,798		1,046	1.4500	1,516	(282)	-15.68%	
16	FAL's and Credits			4,088		7,337		4,088		7,213	(124)	-1.69%	
17	Reconcile to Books										0	0.00%	
18	Total			6,489		\$13,735		6,489		\$13,503	(\$232)	-1.69%	
19													
20	Capital Complex (Interruptible Rate):												
21	Minimum Charge:												
22	5/8" Monthly	0		\$7.76	\$0	0		\$8.50	\$0	\$0	0.00%		
23	3/4" Monthly	0		8.49	0	0		10.90	0	0	0.00%		
24	1" Monthly	0		9.96	0	0		15.40	0	0	0.00%		
25	1-1/2" Monthly	0		13.63	0	0		26.80	0	0	0.00%		
26	2" Monthly	0		18.02	0	0		40.50	0	0	0.00%		
27	3" Monthly	0		28.30	0	0		72.00	0	0	0.00%		
28	4" Monthly	12		42.97	516	12		118.00	1,416	900	174.42%		
29	6" Monthly	0		79.63	0	0		232.00	0	0	0.00%		
30	8" Monthly	0		0.00	0	0		368.00	0	0	0.00%		
31													
32	Volumetric Charges:												
33	First Block			1,530	\$3.4670	5,305		1,530	\$2.4780	3,791	(1,514)	-28.54%	
34	Second Block			1,124	\$2.8267	3,176		1,124	\$2.4780	2,784	(392)	-12.34%	
35	Third block			824	\$1.7200	1,416		824	\$1.4500	1,194	(222)	-15.68%	
36	FAL's and Credits			0		0		0		0	0	0.00%	
37	Reconcile to Books										0	0.00%	
38	Total			3,477		\$10,413		3,477		\$9,185	(\$1,228)	-11.79%	
39													
40													

**12 Month Test Period Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-JFC**  
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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission  
Company: Missouri-American Water  
District: Jefferson City**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-JFC**  
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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Jefferson City**

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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission  
Company: Missouri-American Water  
District: Jefferson City**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-JFC**  
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**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Jefferson City**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-JFC**  
**Page 8 of 8**

Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	<b>Private Fire Service:</b>							
3								
4	Private Fire Hydrant	38	\$786.49	\$29,887	\$786.49	\$29,887	\$0	0.00%
5								
6	2"	14	87.35	1,223	87.35	1,223	0	0.00%
7								
8	3"	1	196.66	197	196.66	197	0	0.00%
9								
10	4"	25	349.57	8,739	349.57	8,739	0	0.00%
11								
12	6"	48	786.49	37,752	786.49	37,752	0	0.00%
13								
14	8"	17	1,398.11	23,768	1,398.11	23,768	0	0.00%
15								
16	10"	5	2,184.60	10,923	2,184.60	10,923	0	0.00%
17								
18	12"	0	0.00	0	0.00	0	0	0.00%
19								
20	FAL's and Credits			(1,333)		(1,333)	0	0.00%
21								
22	Total	148		\$111,156		\$111,156	\$0	0.00%
23								
24								
25								
26	<b>Public Fire Protection:</b>							
27								
28	Public Fire Hydrants	777	0.00	0	299.52	232,727	232,727	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

Overall Revenue Requirement Summary  
 For the Test Year Ended December 31, 2002

Line No.	Description	Schedule	Amount
1			
2			
3			
4			
5			
6	Rate Base	CAS-3-JOP	\$27,087,226
7			
8	Operating Income at Present Rates	CAS-8-JOP	1,771,208
9			
10	Earned Rate of return		6.54%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		2,248,240
15			
16	Operating Income Deficiency		477,032
17			
18	Gross Revenue Conversion Factor		1,64940
19			
20	Revenue Deficiency		786,817
21			
22	Adjusted Operating Revenues	CAS-8-JOP	8,060,300
23			
24	Total Revenue Requirement		\$8,847,117
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		
30	Revenue		\$1,000,000
31	Uncollectibles		15,957
32	PSC Assessment		0.00000%
33	Before Tax Amount		984,043
34	State Income Taxes		51,301
35	Federal Income Taxes		326,460
36	Total Taxes and Expenses		393,718
37	Net Amount		\$606,282
38			
39	Conversion Factor		1.64940
40			

# **Rate Base Summary** **Test Year Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Case No. WR-2003-XXX**  
**Schedule CAS-3-JOP**  
**Page 1 of 1**

Line #		Supporting Reference	Per Books <u>12/31/02</u>	Adjustments	Pro Forma Rate Base
1					
2					
3	<u>Rate Base Component</u>			<u>Adjustments</u>	<u>Pro Forma Rate Base</u>
4					
5	Utility Plant in Service	CAS-4-JOP	38,862,455	5,492,057	44,354,512
6					
7	Accumulated Provision for Depreciation	CAS-5-JOP	(9,150,996)	(723,260)	(9,874,256)
8					
9	Accumulated Amortization	W/P's	(71,296)	0	(71,296)
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	54,752	54,752
12					
13	Net Utility Plant		<u>29,640,163</u>	<u>4,823,549</u>	<u>34,463,712</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-JOP	1,673,164	631,964	2,305,128
18	Contributions in Aid of Construction	CAS-6-JOP	3,390,055	(53,269)	3,336,786
19	Accumulated Deferred ITC (3%)	W/P's	13,433	0	13,433
20	Deferred Income Taxes	W/P's	1,841,737	343,466	2,185,203
21	Pension Liability	W/P's	246,193	238,889	485,082
22					
23					
24	Subtotal		<u>7,164,582</u>	<u>1,161,050</u>	<u>8,325,632</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-JOP	136,000	0	136,000
29	Materials and Supplies	W/P's	211,110	0	211,110
30	Prepayments	W/P's	26,700	0	26,700
31	OP&B's Contributed to External Fund	W/P's	246,153	(6,519)	239,634
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	264,038	71,664	335,702
34					
35	Subtotal		<u>884,001</u>	<u>65,145</u>	<u>949,146</u>
36					
37	Total Original Cost Rate Base		<u>23,359,583</u>	<u>3,727,643</u>	<u>27,087,226</u>
38					
39					
40					

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1					
2		Intangible Plant			
3	301	Organization	\$0	\$26,255	\$26,255
4	302	Franchise & Consents	20,740	0	20,740
5	303	Miscellaneous Intangible Plant Studies	0	14,664	14,664
6		Subtotal	20,740	40,919	61,659
7		Source of Supply Plant			
8	310	Land & Land Rights	96,342	0	96,342
9	311	Structures & Improvements	17,876	2,763	20,639
10	312	Collection & Impound Reservoirs	110,883	0	110,883
11	313	Lake, River, & Other Intakes	52,654	0	52,654
12	314	Wells & Springs	1,904,916	1,588,237	3,493,153
13	316	Supply Mains	343,054	0	343,054
14		Subtotal	2,525,725	1,591,000	4,116,725
15		Pumping Plant			
16	320	Pumping Land & Land Rights	12,561	0	12,561
17	321	Pumping Structures & Improvements	499,927	6,447	506,374
18	322	Boiler Plant Equipment	348	0	348
19	323	Force Mains	65,836	0	65,836
20	324	Steam Pumping Equipment	6,907	0	6,907
21	325	Electric Pumping Equipment	2,158,844	31,774	2,190,618
22	326	Diesel Pumping Equipment	132,587	0	132,587
23	327	Pump Equip Hydraulic	0	0	0
24	328	Other Pumping Equipment	224,224	0	224,224
25		Subtotal	3,101,234	38,221	3,139,455
26		Treatment Plant			
27	330	Water Treatment Land & Land Rights	11,715	0	11,715
28	331	Water Treatment Structures & Improvements	257,097	314,977	572,074
29	332	Water Treatment Equipment	2,540,990	20,262	2,561,252
30	332.4	Water Treatment Equipment - Filter Plant	3,073	0	3,073
31		Subtotal	2,812,875	335,239	3,148,114
32		Transmission & Distribution Plant			
33	340	Transmission & Distribution Land	27,039	0	27,039
34	341	Transmission & Distribution Structures & Improvements	356,988	0	356,988
35	342	Distribution Reservoirs & Standpipes	2,597,965	1,498,726	4,096,691
36	343	Transmission & Distribution Mains Con	0	0	0
37	343.1	Transmission & Distribution Mains < 4'	637,616	0	637,616
38	343.2	Transmission & Distribution Mains 6" - 8'	10,631,947	419,582	11,051,529
39	343.3	Transmission & Distribution Mains > 10'	5,990,540	322,344	6,312,884
40		Subtotal	20,242,095	2,240,652	22,482,747

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02 20,242,095	Pro Forma Adjustments 2,240,652	Pro Forma UPIS 22,482,747
1		Transmission & Distribution Plant				
2	344	Fire mains		0	0	0
3	345	Services		5,611,891	267,217	5,879,108
4	346.1	Meters - Bronze Case		616,970	214,419	831,389
5	346.2	Meters - Plastic Case		13,992	0	13,992
6	346.3	Meters - Not Class By Type		171,556	0	171,556
7	347	Meter Installation		1,817,687	215,612	2,033,299
8	348	Hydrants		600,356	0	600,356
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		29,074,547	2,937,900	32,012,447
11		General Plant				
12	389	General Land & Land Rights		717	0	717
13	390	Stores Shops Equipment Structures		29,288	0	29,288
14	390.1	Office Structures		13,682	8,796	22,478
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		81,089	0	81,089
17	391	Office Furniture and Equipment		38,289	337,800	376,089
18	391.2	Computers & Peripheral Equipment		131,763	52,193	183,956
19	391.25	Computer Software		0	44,415	44,415
20	391.26	Personal Computer Software		5,646	8,035	13,681
21	391.3	Other Office Equipment		27,453	734	28,187
22	392.11	Transportation Equipment - Light Trucks		284,607	43,240	327,847
23	392.12	Transportation Equipment - Heavy Trucks		14,220	0	14,220
24	392.2	Transportation Equipment - Cars		35,737	9,012	44,749
25	392.3	Transportation Equipment - Other		63,739	0	63,739
26	393	Stores Equipment		7,447	0	7,447
27	394	Tools, Shop, & Garage Equipment		276,186	5,620	281,806
28	395	Laboratory Equipment		41,557	36,287	77,844
29	396	Power Operated Equipment		177,464	0	177,464
30	397	Communication Equipment (non telephone)		49,946	364	50,310
31	397.2	Telephone Equipment		0	1,502	1,502
32	398	Miscellaneous Equipment		48,504	780	49,284
33	399	Other Tangible Property		0	0	0
34		Subtotal		1,327,334	548,778	1,876,112
35		Total Plant in Service		\$38,862,455	\$5,492,057	\$44,354,512



**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Accumulated Depreciation and Amortization**  
**Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-5-JOP**  
**Page 1 of 2**

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$0	\$0
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	77,788	77,788
5	303	Subtotal	0	77,788	77,788
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	3,314	317	3,631
9	311	Collection & Impound Reservoirs	77,461	1,880	79,341
10	312	Lake, River, & Other Intakes	32,241	1,501	33,742
11	313	Wells & Springs	167,483	(89,469)	78,014
12	314	Supply Mains	226,649	5,566	232,215
13	316	Subtotal	507,147	(80,204)	426,943
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	163,833	9,832	173,665
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	0	1,279	1,279
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	759,367	72,020	831,387
21	325	Diesel Pumping Equipment	27,376	2,771	30,147
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	100,584	4,645	105,229
24	328	Subtotal	1,051,159	90,548	1,141,707
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	144,478	(17,932)	126,546
28	331	Water Treatment Equipment	968,150	67,063	1,035,213
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	1,112,628	49,131	1,161,759
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	0	0	0
33	340	Transmission Reservoirs & Standpipes	0	18,194	18,194
34	341	Transmission & Distribution Mains Conv	527,313	(75,080)	452,233
35	342	Transmission & Distribution Mains < 4"	3,456,141	5,657	3,461,798
36	343	Transmission & Distribution Mains 6" - 8"	0	8,826	8,826
37	343.1	Transmission & Distribution Mains > 10"	0	113,010	113,010
38	343.2	Subtotal	0	56,680	56,680
39	343.3	Subtotal	3,983,454	127,287	4,110,741
40					

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

Accumulated Depreciation and Amortization  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-5-JOP  
Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Transmission &amp; Distribution Plant</u>		3,983,454	127,287	4,110,741
2	344	Fire mains	0	0	0	0
3	345	Services	1,215,295	0	113,542	1,328,837
4	346.1	Meters - Bronze Case	0	0	14,444	14,444
5	346.2	Meters - Plastic Case	0	0	723	723
6	346.3	Meters - Not Class By Type	113,956	8,869	122,825	122,825
7	347	Meter Installation	429,066	20,940	450,006	450,006
8	348	Hydrants	116,736	16,840	133,576	133,576
9	349	Other Transmission & Distribution Plant	868	(0)	868	868
10		Subtotal		5,859,376	302,644	6,162,020
11		General Plant				
12	389	General Land & Land Rights	0	0	0	0
13	390	Stores Shops Equipment Structures	0	690	690	690
14	390.1	Office Structures	22,716	2,990	25,706	25,706
15	390	General Structures - HVAC	0	0	0	0
16	390.3	Miscellaneous Structures	0	1,910	1,910	1,910
17	391	Office Furniture and Equipment	48,004	(10,911)	37,093	37,093
18	391.2	Computers & Peripheral Equipment	0	101,796	101,796	101,796
19	391.25	Computer Software	0	70,144	70,144	70,144
20	391.26	Personal Computer Software	0	15,948	15,948	15,948
21	391.3	Other Office Equipment	0	3,914	3,914	3,914
22	392.11	Transportation Equipment - Light Trucks	298,920	43,222	342,142	342,142
23	392.12	Transportation Equipment - Heavy Trucks	0	1,520	1,520	1,520
24	392.2	Transportation Equipment - Cars	0	13,340	13,340	13,340
25	392.3	Transportation Equipment - Other	0	6,813	6,813	6,813
26	393	Stores Equipment	8,726	60	8,786	8,786
27	394	Tools, Shop, & Garage Equipment	123,956	13,340	137,296	137,296
28	395	Laboratory Equipment	(3,449)	(1,270)	(4,719)	(4,719)
29	396	Power Operated Equipment	76,943	8,248	85,191	85,191
30	397	Communication Equipment (non telephone)	0	7,021	7,021	7,021
31	397.2	Telephone Equipment	32,591	2,206	34,797	34,797
32	398	Miscellaneous Equipment	12,280	2,371	14,651	14,651
33	399	Other Tangible Property	0	0	0	0
34		Subtotal		620,686	283,353	904,039
35		Total Plant in Service		\$9,150,996	\$723,260	\$9,874,256

**Customer Advances and Contributions in Aid of Construction**  
**For the Test Year Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Case No. WR-2003-XXX**  
**Schedule CAS-6-JOP**  
**Page 1 of 1**

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Extensions	1,484,469	631,964	2,116,433
5	252.71	Advances for Construction - Taxable Extensions	188,695	0	188,695
6		Total Customer Advances	<u>1,673,164</u>	<u>631,964</u>	<u>2,305,128</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	274,081	0	274,081
13	271.12	Contributions in Aid - NT Extension Deposit	249,047	0	249,047
14	271.21	Contributions in Aid - NT Services	3,541	0	3,541
15	271.30	Contributions in Aid - NT Meters	4,810	0	4,810
16		Contributions in Aid - NT Hydrants	13,130	0	13,130
17		Contributions in Aid - NT Other	0	0	0
18	271.71	Contributions in Aid - Taxable Mains	2,382,908	0	2,382,908
19	271.12	Contributions in Aid - Taxable Extension Deposit	885,123	0	885,123
20	271.27	Contributions in Aid - Taxable Services	3,777	0	3,777
21	271.37	Contributions in Aid - Taxable Meters	0	0	0
22	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
23	Various	Accumulated Amortization - CIAC	(426,362)	(53,269)	(479,631)
24		Total Contributions in Aid of Construction	<u>3,390,055</u>	<u>(53,269)</u>	<u>3,336,786</u>
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Line #	Expense Category	Proforma Proposed Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3	Base Payroll	947,552	2,596	38.64	10.23	28.41	73,753
4	Tax Withholding	450,224	1,233	38.64	17.39	21.25	26,212
5	Fuel and Power	510,297	1,398	38.64	37.22	1.42	1,985
6	Chemicals	97,076	266	38.64	38.64	0.00	0
7	Purchased Water	0	0	38.64	53.15	(14.51)	0
8	Service Company Charges	637,585	1,747	38.64	(4.13)	42.77	74,711
9	Group Insurance	200,184	548	38.64	(8.54)	47.18	25,876
10	OP&B's	87,726	240	38.64	(0.04)	38.68	9,297
11	Pensions	226,275	620	38.64	38.64	0.00	0
12	ESOP	12,853	35	38.64	38.64	0.00	0
13	Insurance Other than Group	118,299	324	38.64	38.64	0.00	0
14	Uncollectables	125,972	345	38.64	38.64	0.00	0
15	Rents	86,517	237	38.64	24.37	14.27	3,382
16	401(k)	175,224	480	38.64	48.80	(10.16)	(4,877)
17	Other O&M	785,925	2,153	38.64	20.67	17.97	38,693
18							
19	Total O&M Expenses	4,461,709					249,032
20							
21	Depreciation Amortization Expense	1,006,117	2,756	38.64	0.00	38.64	106,511
22	Property Taxes	341,340	935	38.64	182.50	(143.86)	(134,535)
23	Public Service Commission Fee	35,292	97	38.64	38.64	0.00	0
24	Franchise and Environment Tax	13,655	37	38.64	38.64	0.00	0
25	FICA Taxes	1,770	5	38.64	13.44	25.20	122
26	FUTA Taxes	103,626	284	38.64	62.05	(23.41)	(6,646)
27	SUTA Taxes	19	0	38.64	62.05	(23.41)	(1)
28	Federal Income Tax - Current	(22,873)	(63)	38.64	60.25	(21.61)	1,354
29	State Income Tax - Current	(3,594)	(10)	38.64	62.17	(23.53)	232
30	Deferred Income Taxes	540,107	1,480	38.64	0.00	38.64	57,177
31	Interest Expense	951,081	2,606	38.64	91.15	(52.51)	(136,825)
32	Preferred Dividends	13,548	37	38.64	45.63	(6.99)	(259)
33	Total Working Capital Requirement	7,441,798					136,162
34							
35							
36	Total Cash and Working Capital Requirement Used						136,000
37							
38							
39							
40							

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Statement of Income Per Books and Pro Forma**  
**For the Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-8-JOP**  
**Page 1 of 1**

Line #		Schedule Reference	Test year Ended 12/31/02	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-JOP	\$7,863,156	\$197,144	\$8,060,300	\$786,817	\$8,847,117
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-JOP	3,960,716	312,917	4,273,633	12,555	4,286,188
10	Depreciation Expense	CAS-10-JOP	829,105	177,012	1,006,117		1,006,117
11	Amortization Expense	CAS-10-JOP	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-JOP	270,159	71,181	341,340		341,340
15	Payroll Taxes	CAS-10-JOP	101,744	3,671	105,415		105,415
16	PSC Fees	CAS-10-JOP	41,352	0	41,352	0	41,352
17	Other	CAS-10-JOP	13,271	(5,676)	7,595		7,595
18							
19	Utility Operating Income Before Income Taxes		2,646,809	(361,961)	2,284,848	774,262	3,059,110
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-JOP	142,717	(165,590)	(22,873)	256,864	233,991
23	State Income Tax	CAS-12-JOP	60,836	(64,430)	(3,594)	40,364	36,770
24	Deferred Income Taxes		524,146	24,799	548,945	0	548,945
25	Amortization of Investment Tax Credit		(8,838)		(8,838)		(8,838)
26							
27	Utility Operating Income		\$1,927,948	(\$156,740)	\$1,771,208	\$477,034	\$2,248,242
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Adjustment to Revenues Per Books and Pro Forma**  
**For the Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-9-JOP**  
**Page 1 of 1**

Line #	Test Year Ending 12/31/02	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalization & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1							
2							
3							
4							
5	Sales of Water						
6	Metered Sales						
7	Residential	\$4,011,662	\$21,036	\$2,185	\$4,034,883	\$128,962	\$4,163,845
8	Commercial	1,736,642	12,668	659	1,749,969	(125,320)	1,624,649
9	Industrial	1,192,154	(88,406)	16,942	1,120,689		1,258,298
10	Other Public Authority	206,048	918	35	207,001	137,609	207,001
11	Sales for Resale	352,963	30,175	6,368	389,506	53,784	443,290
12	Miscellaneous	935	0	0	935		935
13							
14	Total Metered Sales	7,500,403	(23,610)	26,189	7,502,983	3,642	7,698,018
15							
16							
17	Sewer Service	0	0	0	0	0	0
18							
19	Fire Service						
20	Private Fire Service	196,906		(470)	196,436	0	196,436
21							
22	Total Fire Service	196,906	0	(470)	196,436	0	196,436
23							
24	Total Sales of Water	7,697,309	(23,610)	25,719	7,699,419	3,642	7,894,454
25							
26	Other Operating Revenues						
27	Reconnect Charges	12,720			12,720		12,720
28	Returned Check Charge	4,683			4,683		4,683
29	Application Fee	148,840			148,840		148,840
30	Miscellaneous Other Revenue	(397)			(397)		(397)
31	Rents from Water Property	0			0		0
32							
33	Total Other Operating Revenues	165,846	0	0	165,846	0	165,846
34							
35							
36	Total Operating Revenues	\$7,863,156	(\$23,610)	\$25,719	\$7,865,265	\$3,642	\$191,393
37							
38							
39							
40							

# **Summary of Operations and Maintenance Expenses and General Taxes**

**For the Test Year Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Case No. WR-2003-XXX**  
**Schedule CAS-10-JOP**  
**Page 1 of 1**

**Line #**

The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated. Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-JOP which provides additional detail and support.

<u>Expense Description</u>	<u>Schedule Reference</u>	<u>Test Year Expense</u>	<u>Adjustment</u>	<u>Pro forma Present Rates</u>
Labor	CAS-11-JOP	\$1,313,687	\$84,090	\$1,397,777
Purchased Water	CAS-11-JOP	0	0	0
Fuel and Power	CAS-11-JOP	455,684	54,613	510,297
Chemicals	CAS-11-JOP	96,091	985	97,076
Waste Disposal	CAS-11-JOP	410	(410)	0
Management Fees	CAS-11-JOP	387,654	249,931	637,585
Group Insurance	CAS-11-JOP	287,910	33,743	321,653
Pensions	CAS-11-JOP	76,357	149,918	226,275
Regulatory Expense	CAS-11-JOP	27,763	(13,706)	14,057
Insurance, Other than Group	CAS-11-JOP	138,936	(20,637)	118,299
Customer Accounting	CAS-11-JOP	188,476	8,570	197,046
Rents	CAS-11-JOP	49,104	37,413	86,517
General Office Expense	CAS-11-JOP	100,585	(1,262)	99,323
Miscellaneous	CAS-11-JOP	387,779	22,390	410,169
Maintenance - Other	CAS-11-JOP	450,280	(292,721)	157,559
Total Operations and Maintenance		<u>3,960,716</u>	<u>312,917</u>	<u>4,273,633</u>
Depreciation	CAS-11-JOP	829,105	177,012	1,006,117
Amortization	CAS-11-JOP	0	0	0
Total Depreciation and Amortization		<u>829,105</u>	<u>177,012</u>	<u>1,006,117</u>
Property Taxes	CAS-11-JOP	270,159	71,181	341,340
Payroll Taxes	CAS-11-JOP	101,744	3,671	105,415
PSC Fees	CAS-11-JOP	41,352	0	41,352
Other General Taxes	CAS-11-JOP	13,271	(5,676)	7,595
Total Taxes Other Than Income Taxes		<u>426,526</u>	<u>69,176</u>	<u>495,702</u>

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Joplin

Case No. WR-2003-XXX  
Schedule CAS-11-JOP  
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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Joplin

Line  
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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Joplin

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Schedule CAS-11-JOP  
Page 3 of 4

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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Joplin

Line  
No.[illegible]

Line #      1      2      3      4      5      6      7      8      9      10      11      12      13      14      15      16      17      18      19      20      21      22      23      24      25      26      27      28      29      30      31      32      33      34      35      36      37      38      39      40

The Company's federal and state income taxes will be affected by all of the pro forma adjustments made at present and proposed rates.

		At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
Utility Operating Income Before Income Taxes		\$2,284,848	\$2,284,848	\$3,059,110	\$3,059,110
Interest Expense Deduction		950,762	950,762	950,762	950,762
Taxable Income		1,334,086	1,334,086	2,108,348	2,108,348
Addback (Deducts):					
Tax over Book Depreciation	(1,406,695)		(1,406,695)	(1,406,695)	(1,406,695)
Non-deductible Meals	3,598		3,598	3,598	3,598
Amortization Preferred Stock Expense	65		65	65	65
Non-deductible Reserve Deficiency	0		0	0	0
Total Addbacks (Deducts)	(1,403,032)	(1,403,032)		(1,403,032)	(1,403,032)
Taxable Income	(68,946)	(68,946)		705,316	705,316
Effective Tax Rate (1)	33.1754%	5.2133%		33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates	(22,873)	(3,594)		233,991	36,770
Per Books Amount / Present Rates	142,717	60,836		(22,873)	(3,594)
Proforma adjustment	(\$165,590)	(\$64,430)		\$256,864	\$40,364

(1) Based on a 6.25% statutory rate for SIT and 35% for FIT

**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-JOP**  
**Page 1 of 1**

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	<b>Monthly Billing:</b>						
3							
4	Residential	1,410,932	\$4,163,828	1,410,932	\$4,375,899	\$212,071	5.09%
5	Commercial	947,530	1,624,671	947,530	1,689,161	64,490	3.97%
6	Industrial	1,354,285	1,258,298	1,354,285	1,362,960	104,662	8.32%
7	Other Public Authority	113,880	207,001	113,880	199,078	(7,923)	-3.83%
8	Other Water Utilities	334,856	443,290	334,856	408,036	(35,254)	-7.95%
9	Miscellaneous	333	935	333	935	0	0.00%
10	Private Fire	0	196,436	0	196,436	0	0.00%
11	Public Fire	0	0	0	448,733	448,733	0.00%
12	Total	<u>4,161,815</u>	<u>7,894,459</u>	<u>4,161,815</u>	<u>8,681,238</u>	<u>\$786,779</u>	<u>9.97%</u>
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		12,720		12,720	0	0.00%
18	Returned Check Charge		4,683		4,683	0	0.00%
19	Application Fee		148,840		148,840	0	0.00%
20	Miscellaneous Other Revenue		(397)		(397)	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$8,060,305</u>		<u>\$8,847,084</u>	<u>786,779</u>	<u>9.76%</u>
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: Joplin**

**Case No. WR-2003-XXX  
Schedule CAS-14-JOP  
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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Case No. WR-2003-XXX  
Schedule CAS-14-JOP  
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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

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Schedule CAS-14-JOP  
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## 12 Month Test Period Ended December 31, 2002

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**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: Joplin**

**Case No. WR-2003-XXX  
Schedule CAS-14-JOP  
Page 6 of 7**

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**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Joplin**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-JOP**  
**Page 7 of 7**

Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2	<b>Private Fire Service:</b>							
3								
4	Private Fire Hydrant	3	\$669.24	\$2,008	669.24	\$2,008	\$0	0.00%
5								
6	2"	5	95.88	479	95.88	479	0	0.00%
7								
8	3"	0	164.76	0	164.76	0	0	0.00%
9								
10	4"	28	261.48	7,321	261.48	7,321	0	0.00%
11								
12	6"	157	536.28	84,196	536.28	84,196	0	0.00%
13								
14	8"	102	922.68	94,113	922.68	94,113	0	0.00%
15								
16	10"	6	1,418.28	8,510	1,418.28	8,510	0	0.00%
17								
18	12"	0	2,022.24	0	2,022.24	0	0	0.00%
19								
20	FAL's and Credits			(191)		(191)	0	0.00%
21								
22	Total	301		\$196,436		\$196,436	\$0	0.00%
23								
24								
25								
26	<b>Public Fire Protection:</b>							
27								
28	Public Fire Hydrants	1,469	0.00	0	305.47	448,733	448,733	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

Line No.	Description	Schedule	Amount
1			
2			
3			
4			
5			
6	Rate Base	CAS-3-MEX	\$12,065,229
7			
8	Operating Income at Present Rates	CAS-8-MEX	629,671
9			
10	Earned Rate of return		5.22%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		1,001,414
15			
16	Operating Income Deficiency		371,743
17			
18	Gross Revenue Conversion Factor		1.64017
19			
20	Revenue Deficiency		609,722
21			
22	Adjusted Operating Revenues	CAS-8-MEX	2,561,804
23			
24	Total Revenue Requirement		\$3,171,526
25			
26			
27			
28	Gross Revenue Conversion Factor		
29	Revenue		\$1,000,000
30	Uncollectibles		10,424
31	PSC Assessment		0.000
32	Before Tax Amount		989,576
33	State Income Taxes		51,589
34	Federal Income Taxes		328,295
35	Total Taxes and Expenses		390,308
36	Net Amount		\$609,692
37			
38	Conversion Factor		1.64017
39			
40			

**Rate Base Summary**  
**Test Year Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

**Case No. WR-2003-XXX**  
**Schedule CAS-3-MEX**  
**Page 1 of 1**

Line #		Supporting Reference	Per Books 12/31/02	Adjustments	Pro Forma Rate Base
1					
2					
3	Rate Base Component				
4					
5	Utility Plant in Service	CAS-4-MEX	15,327,116	617,798	15,944,914
6					
7	Accumulated Provision for Depreciation	CAS-5-MEX	(1,941,038)	(328,611)	(2,269,649)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	11,695	11,695
12					
13	Net Utility Plant		13,386,078	300,882	13,686,960
14					
15					
16	Less:				
17	Customer Advances	CAS-6-MEX	120,926	18,677	139,603
18	Contributions in Aid of Construction	CAS-6-MEX	808,254	(15,720)	792,534
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	713,208	18,792	732,000
21	Pension Liability	W/P's	52,585	51,025	103,610
22					
23					
24	Subtotal		1,694,973	72,774	1,767,747
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-MEX	0	0	0
29	Materials and Supplies	W/P's	23,004	0	23,004
30	Prepayments	W/P's	5,703	0	5,703
31	OPEB's Contributed to External Fund	W/P's	52,770	(1,398)	51,372
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	51,437	14,500	65,937
34					
35	Subtotal		132,914	13,102	146,016
36					
37	Total Original Cost Rate Base		11,824,018	241,210	12,065,229
38					
39					
40					

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		Intangible Plant			
2	301	Organization	\$0	\$5,608	\$5,608
3	302	Franchise & Consents	0	0	0
4	303	Miscellaneous Intangible Plant Studies	0	3,132	3,132
5		Subtotal	0	8,740	8,740
6		Source of Supply Plant			
7	310	Land & Land Rights	25,516	0	25,516
8	311	Structures & Improvements	68,229	16,578	84,807
9	312	Collection & Impound Reservoirs	183	0	183
10	313	Lake, River, & Other Intakes	0	0	0
11	314	Wells & Springs	933,029	0	933,029
12	316	Supply Mains	863,676	0	863,676
13		Subtotal	1,890,633	16,578	1,907,211
14		Pumping Plant			
15	320	Pumping Land & Land Rights	58,808	0	58,808
16	321	Pumping Structures & Improvements	73,206	12,894	86,100
17	322	Boiler Plant Equipment	0	0	0
18	323	Force Mains	0	0	0
19	324	Steam Pumping Equipment	0	0	0
20	325	Electric Pumping Equipment	674,921	0	674,921
21	326	Diesel Pumping Equipment	0	0	0
22	327	Pump Equip Hydraulic	0	0	0
23	328	Other Pumping Equipment	28,055	0	28,055
24		Subtotal	834,990	12,894	847,884
25		Treatment Plant			
26	330	Water Treatment Land & land Rights	13,920	0	13,920
27	331	Water Treatment Structures & Improvements	3,175,973	141,832	3,317,805
28	332	Water Treatment Equipment	2,496,586	5,526	2,502,112
29	332.4	Water Treatment Equipment - Filter Plant	47,417	0	47,417
30		Subtotal	5,733,896	147,358	5,881,254
31		Transmission & Distribution Plant			
32	340	Transmission & Distribution Land	13,336	0	13,336
33	341	Transmission & Distribution Structures & Improvements	69,980	0	69,980
34	342	Distribution Reservoirs & Standpipes	324,889	12,894	337,783
35	343	Transmission & Distribution Mains Con	2,730,625	0	2,730,625
36	343.1	Transmission & Distribution Mains < 4'	72,162	0	72,162
37	343.2	Transmission & Distribution Mains 6" - 8'	699,714	76,534	776,248
38	343.3	Transmission & Distribution Mains > 10'	273,781	0	273,781
39		Subtotal	4,184,487	89,428	4,273,915
40					

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

Utility Plant in Service  
 For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
 Schedule CAS-4-MEX  
 Page 2 of 2

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		Transmission & Distribution Plant		4,184,487	89,428	4,273,915
2	344	Fire mains		30,970	0	30,970
3	345	Services		1,198,904	0	1,326,322
4	346.1	Meters - Bronze Case		89,500	0	89,500
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		165,626	0	165,626
7	347	Meter Installation		509,284	90,029	599,313
8	348	Hydrants		332,221	0	332,221
9	349	Other Transmission & Distribution Plant		9,563	0	9,563
10		Subtotal		6,520,555	306,875	6,827,430
11		General Plant				
12		General Land & Land Rights		2,057	0	2,057
13	389	Stores Shops Equipment Structures		24,657	0	24,657
14	390	Office Structures		122,345	1,879	124,224
15	390.1	General Structures - HVAC		0	0	0
16	390	Miscellaneous Structures		0	0	0
17	390.3	Office Furniture and Equipment		38,436	72,417	110,853
18	391	Computers & Peripheral Equipment		5,473	8,925	14,398
19	391.2	Computer Software		0	6,929	6,929
20	391.25	Personal Computer Software		0	1,716	1,716
21	391.26	Other Office Equipment		11,068	157	11,225
22	391.3	Transportation Equipment - Light Trucks		42,347	18,933	61,280
23	392.11	Transportation Equipment - Heavy Trucks		0	0	0
24	392.12	Transportation Equipment - Cars		16,428	1,925	18,353
25	392.2	Transportation Equipment - Other		0	0	0
26	392.3	Stores Equipment		11,065	0	11,065
27	393	Tools, Shop, & Garage Equipment		30,738	6,841	37,579
28	394	Laboratory Equipment		11,694	5,065	16,759
29	395	Power Operated Equipment		9,301	0	9,301
30	396	Communication Equipment (non telephone)		15,087	78	15,165
31	397	Telephone Equipment		2,772	321	3,093
32	397.2	Miscellaneous Equipment		3,574	167	3,741
33	398	Other Tangible Property		0	0	0
34	399	Subtotal		347,042	125,353	472,395
35		Total Plant in Service		\$15,327,116	\$617,798	\$15,944,914
36						
37						
38						
39						
40						



**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

**Accumulated Depreciation and Amortization**  
**Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-5-MEX**  
**Page 1 of 2**

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$0	\$0
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	16,678	16,678
5	303	Subtotal	0	16,678	16,678
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	20,787	(895)	19,892
9	311	Collection & Impound Reservoirs	131	3	134
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	211,975	19,500	231,475
12	314	Supply Mains	98,060	14,013	112,073
13	316	Subtotal	330,953	32,621	363,574
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	20,526	(789)	19,737
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	0	0	0
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	(180,347)	23,324	(157,023)
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	1,196	581	1,777
24	328	Subtotal	(158,625)	23,116	(135,509)
25		<u>Treatment Plant</u>			
26		Water Treatment Land & land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	242,592	69,829	312,421
28	331	Water Treatment Equipment	168,145	66,521	234,666
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	410,737	136,350	547,087
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	0	0	0
33	340	Transmission & Distribution Structures & Improvements	0	3,567	3,567
34	341	Distribution Reservoirs & Standpipes	87,301	3,560	90,861
35	342	Transmission & Distribution Mains Conv	855,456	39,009	894,465
36	343	Transmission & Distribution Mains < 4"	0	999	999
37	343.1	Transmission & Distribution Mains 6" - 8"	0	(4,005)	(4,005)
38	343.2	Transmission & Distribution Mains > 10"	0	3,790	3,790
39	343.3	Subtotal	942,757	46,920	989,677
40					

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

**Accumulated Depreciation and Amortization**  
**For the Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-5-MEX**  
**Page 2 of 2**

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1						
2		<u>Transmission &amp; Distribution Plant</u>		<u>942,757</u>	<u>46,920</u>	<u>989,677</u>
3	344	Fire mains		6,310	414	6,724
4	345	Services		82,204	6,111	88,315
5	346.1	Meters - Bronze Case		0	4,627	4,627
6	346.2	Meters - Plastic Case		0	0	0
7	346.3	Meters - Not Class By Type		143,784	8,563	152,347
8	347	Meter Installation		(26,500)	(5,320)	(31,820)
9	348	Hydrants		99,927	9,319	109,246
10	349	Other Transmission & Distribution Plant		3,387	258	3,645
11		Subtotal		<u>1,251,870</u>	<u>70,891</u>	<u>1,322,761</u>
12		General Plant				
13	389	General Land & Land Rights		0	0	0
14	390	Stores Shops Equipment Structures		0	581	581
15	390.1	Office Structures		21,683	3,454	25,137
16	390	General Structures - HVAC		0	0	0
17	390.3	Miscellaneous Structures		0	0	0
18	391	Office Furniture and Equipment		25,129	(6,738)	18,391
19	391.2	Computers & Peripheral Equipment		0	20,095	20,095
20	391.25	Computer Software		0	15,248	15,248
21	391.26	Personal Computer Software		0	3,318	3,318
22	391.3	Other Office Equipment		0	1,274	1,274
23	392.11	Transportation Equipment - Light Trucks		19,873	4,734	24,607
24	392.12	Transportation Equipment - Heavy Trucks		0	0	0
25	392.2	Transportation Equipment - Cars		0	3,797	3,797
26	392.3	Transportation Equipment - Other		0	0	0
27	393	Stores Equipment		1,543	89	1,632
28	394	Tools, Shop, & Garage Equipment		14,474	399	14,873
29	395	Laboratory Equipment		(3,522)	(433)	(3,955)
30	396	Power Operated Equipment		9,108	432	9,540
31	397	Communication Equipment (non telephone)		0	1,800	1,800
32	397.2	Telephone Equipment		16,603	659	17,262
33	398	Miscellaneous Equipment		1,212	246	1,458
34	399	Other Tangible Property		0	0	0
35		Subtotal		<u>106,103</u>	<u>48,955</u>	<u>155,058</u>
36		Total Plant in Service		<u>\$1,941,038</u>	<u>\$328,611</u>	<u>\$2,269,649</u>
37						

Customer Advances and Contributions in Aid of Construction  
 For the Test Year Ended December 31, 2002

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		<u>Customer Advances</u>			
4	252.11	Advances for Construction - Extensions	130,949	18,677	149,626
5	252.71	Advances for Construction - Taxable Extensions	(10,023)	0	(10,023)
6		Total Customer Advances	<u>120,926</u>	<u>18,677</u>	<u>139,603</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	88,384	0	88,384
13	271.12	Contributions in Aid - NT Extension Deposit	(333)	0	(333)
14	271.21	Contributions in Aid - NT Services	2,400	0	2,400
15	271.30	Contributions in Aid - NT Meters	13,278	0	13,278
16		Contributions in Aid - NT Hydrants	42,793	0	42,793
17		Contributions in Aid - NT Other	0	0	0
18	271.71	Contributions in Aid - Taxable Mains	637,305	0	637,305
19	271.12	Contributions in Aid - Taxable Extension Deposit	188,577	0	188,577
20	271.27	Contributions in Aid - Taxable Services	7,650	0	7,650
21	271.37	Contributions in Aid - Taxable Meters	18,212	0	18,212
22	271.47	Contributions in Aid - Taxable Hydrants	28	0	28
23	Various	Accumulated Amortization - CIAC	(190,040)	(15,720)	(205,760)
24		Total Contributions in Aid of Construction	<u>808,254</u>	<u>(15,720)</u>	<u>792,534</u>
25					
26					
27					
28					
29					
30					
31					
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40					

Line #	Expense Category	Proforma Proposed Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3	Base Payroll	235,022	644	38.03	10.23	27.80	17,900
4	Tax Withholding	111,669	306	38.03	17.39	20.64	6,315
5	Fuel and Power	166,710	457	38.03	37.22	0.81	370
6	Chemicals	64,399	176	38.03	38.03	0.00	0
7	Purchased Water	0	0	38.03	53.15	(15.12)	0
8	Service Company Charges	0	0	38.03	(4.13)	42.16	15,730
9	Group Insurance	136,182	373	38.03	(8.54)	46.57	7,102
10	OP&B's	55,663	153	38.03	(0.04)	38.07	2,015
11	Pensions	19,316	53	38.03	38.03	0.00	0
12	ESOP	53,523	147	38.03	38.03	0.00	0
13	Insurance Other than Group	1,620	4	38.03	38.03	0.00	0
14	Uncollectables	45,272	124	38.03	38.03	0.00	0
15	Rents	26,342	72	38.03	24.37	13.66	655
16	401(k)	17,505	48	38.03	48.80	(10.77)	(1,178)
17	Other O&M	39,911	109	38.03	20.67	17.36	16,408
18	Total O&M Expenses	344,976	945	38.03			65,317
19		1,318,110					
20							
21	Depreciation Amortization Expense	348,940	956	38.03	-	38.03	36,357
22	Property Taxes	134,136	367	38.03	182.50	(144.47)	(53,092)
23	Public Service Commission Fee	11,217	31	38.03	38.03	0.00	0
24	Franchise and Environment Tax	2,917	8	38.03	110.50	(72.47)	(579)
25	FICA Taxes	479	1	38.03	13.44	24.59	32
26	FUTA Taxes	25,762	71	38.03	62.05	(24.02)	(1,695)
27	SUTA Taxes	4	0	38.03	62.05	(24.02)	0
28	Federal Income Tax - Current	65,719	180	38.03	60.25	(22.22)	(4,001)
29	State Income Tax - Current	10,327	28	38.03	62.17	(24.14)	(683)
30	Deferred Income Taxes	56,055	154	38.03	0.00	38.03	5,840
31	Interest Expense	423,567	1,160	38.03	91.15	(53.12)	(61,644)
32	Preferred Dividends	6,034	17	38.03	45.63	(7.60)	(126)
33	Total Working Capital Requirement	2,403,267					(14,274)
34							
35	Total Cash and Working Capital Requirement Used						0
36							
37							
38							
39							
40							

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

**Statement of Income Per Books and Pro Forma**  
**For the Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-8-MEX**  
**Page 1 of 1**

Line #		Schedule Reference	Test Year Ended 12/31/02	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
1							
2							
3							
4							
5							
6	Operating Revenues	CAS-9-MEX	\$2,529,041	\$32,763	\$2,561,804	\$609,722	\$3,171,526
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-MEX	1,068,296	208,281	1,276,577	6,356	1,282,933
10	Depreciation Expense	CAS-10-MEX	365,869	(16,929)	348,940		348,940
11	Amortization Expense	CAS-10-MEX	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-MEX	125,208	8,928	134,136		134,136
15	Payroll Taxes	CAS-10-MEX	20,833	5,412	26,245		26,245
16	PSC Fees	CAS-10-MEX	8,833	0	8,833	0	8,833
17	Other	CAS-10-MEX	2,835	2,466	5,301		5,301
18							
19	Utility Operating Income Before Income Taxes		937,167	(175,395)	761,772	603,366	1,365,138
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-MEX	64,341	1,378	65,719	200,168	265,887
23	State Income Tax	CAS-12-MEX	27,427	(17,100)	10,327	31,455	41,782
24	Deferred Income Taxes		57,918	(1,863)	56,055	0	56,055
25	Amortization of Investment Tax Credit		0		0		0
26							
27	Utility Operating Income		\$787,481	(\$157,810)	\$629,671	\$371,743	\$1,001,414
28							
29							
30							
31							
32							
33							
34							
35							
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38							
39							
40							

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

Adjustment to Revenues Per Books and Pro Forma  
For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-9-MEX  
Page 1 of 1

Line #	Test Year Ending 12/31/02	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalization & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1							
2							
3							
4							
5	Sales of Water						
6	Metered Sales						
7	Residential	\$1,143,788	\$20,592	\$1,683	\$1,166,062	\$63,402	\$1,229,464
8	Commercial	333,161	1,054	524	334,740	6,228	340,968
9	Industrial	422,682	(1,019)	653	422,317		362,333
10	Other Public Authority	194,402	(1,286)	(52)	193,065	(59,984)	193,065
11	Sales for Resale	321,934	1,051	2	322,987		322,987
12	Miscellaneous	648	0	0	648		648
13							
14	Total Metered Sales	2,416,615	20,392	2,810	2,439,818	69,630	(59,984) 2,449,464
15							
16							
17	Sewer Service	0	0	0	0	0	0
18							
19	Fire Service						
20	Private Fire Service	77,616		(85)	77,531	0	77,531
21							
22	Total Fire Service	77,616	0	(85)	77,531	0	77,531
23							
24	Total Sales of Water	2,494,232	20,392	2,725	2,517,349	69,630	(59,984) 2,526,995
25							
26	Other Operating Revenues						
27	Reconnect Charges	5,455			5,455		5,455
28	Returned Check Charge	720			720		720
29	Application Fee	22,800			22,800		22,800
30	Miscellaneous Other Revenue	5,835			5,835		5,835
31	Rents from Water Property	0			0		0
32							
33	Total Other Operating Revenues	34,810	0	0	34,810	0	34,810
34							
35							
36	Total Operating Revenues	\$2,529,041	\$20,392	\$2,725	\$2,552,159	\$69,630	(\$59,984) \$2,561,805
37							
38							
39							
40							

The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated. Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-MEX which provides additional detail and support.

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
7	Labor	CAS-11-MEX	289,451	57,239	346,690
8	Purchased Water	CAS-11-MEX	0	0	0
9	Fuel and Power	CAS-11-MEX	150,223	16,486	166,709
10	Chemicals	CAS-11-MEX	52,051	12,348	64,399
11	Waste Disposal	CAS-11-MEX	41,457	(6,957)	34,500
12	Management Fees	CAS-11-MEX	82,799	53,383	136,182
13	Group Insurance	CAS-11-MEX	74,980	17,346	92,326
14	Pensions	CAS-11-MEX	17,161	36,362	53,523
15	Regulatory Expense	CAS-11-MEX	5,930	(2,928)	3,002
16	Insurance, Other than Group	CAS-11-MEX	53,763	(8,491)	45,272
17	Customer Accounting	CAS-11-MEX	49,228	(4,993)	44,235
18	Rents	CAS-11-MEX	5,058	12,447	17,505
19	General Office Expense	CAS-11-MEX	33,872	212	34,084
20	Miscellaneous	CAS-11-MEX	87,630	3,333	90,963
21	Maintenance - Other	CAS-11-MEX	124,693	22,494	147,187
22	Total Operations and Maintenance		1,068,296	208,281	1,276,577
23					
24	Depreciation	CAS-11-MEX	365,869	(16,929)	348,940
25	Amortization	CAS-11-MEX	0	0	0
26	Total Depreciation and Amortization		365,869	(16,929)	348,940
27					
28	Property Taxes	CAS-11-MEX	125,208	8,928	134,136
29	Payroll Taxes	CAS-11-MEX	20,833	5,412	26,245
30	PSC Fees	CAS-11-MEX	8,833	0	8,833
31	Other General Taxes	CAS-11-MEX	2,835	2,466	5,301
32	Total Taxes Other Than Income Taxes		157,709	16,806	174,515
33					
34					
35					
36					
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39					
40					

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Mexico

Line No.

[illegible]



**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**Division: Mexico**

Case No. WR-2003-XXX  
Schedule CAS-11-MEX  
Page 2 of 4

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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: Mexico

Case No. WR-2003-XXX  
Schedule CAS-11-MEX  
Page 3 of 4

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**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**Division: Mexico**

Line  
No.[illegible]

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

Line #      1      2      3      4      5      6      7      8      9      10      11      12      13      14      15      16      17      18      19      20      21      22      23      24      25      26      27      28      29      30      31      32      33      34      35      36      37      38      39      40

The Company's federal and state income taxes will be affected by all of the pro forma adjustments made at present and proposed rates.

		At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
Utility Operating Income Before Income Taxes		\$761,772	\$761,772	\$1,365,138	\$1,365,138
Interest Expense Deduction		423,490	423,490	423,490	423,490
Taxable Income		338,282	338,282	941,648	941,648
Addback (Deducts):					
Tax over Book Depreciation	(140,970)		(140,970)	(140,970)	(140,970)
Non-deductible Meals	768		768	768	768
Amortization Preferred Stock Expense	14		14	14	14
Non-deductible Reserve Deficiency	0		0	0	0
Total Addbacks (Deducts)	(140,188)		(140,188)	(140,188)	(140,188)
Taxable Income		198,094	198,094	801,460	801,460
Effective Tax Rate (1)		33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates		65,719	10,327	265,887	41,782
Per Books Amount / Present Rates		64,341	27,427	65,719	10,327
Proforma adjustment		\$1,378	(\$17,100)	\$200,168	\$31,455

(1) Based on a 6.25% statutory rate for SIT and 35% for FIT

**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-MEX**  
**Page 1 of 1**

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue		
1							
2	<b>Monthly Billing:</b>						
3							
4	Residential	251,641	\$1,229,456	251,641	\$1,446,608	\$217,152	17.66%
5	Commercial	99,993	340,989	99,993	413,157	72,168	21.16%
6	Industrial	136,131	362,333	136,131	382,007	19,674	5.43%
7	Other Public Authority	63,060	193,065	63,060	218,573	25,508	13.21%
8	Other Water Utilities	113,080	322,987	113,080	323,357	370	0.11%
9	Miscellaneous	120	648	120	648	0	0.00%
10	Private Fire	0	77,531	0	77,531	0	0.00%
11	Public Fire	0	0	0	164,669	164,669	0.00%
12	Total	664,025	2,527,009	664,025	3,026,550	\$499,541	19.77%
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		5,455		5,455	0	0.00%
18	Returned Check Charge		720		720	0	0.00%
19	Application Fee		22,800		22,800	0	0.00%
20	Miscellaneous Other Revenue		5,835		5,835	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$2,561,819</u>		<u>\$3,061,360</u>	<u>499,541</u>	<u>19.50%</u>
25							
26							
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39							
40							

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

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## 12 Month Test Period Ended December 31, 2002

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

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## 12 Month Test Period Ended December 31, 2002

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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change	
		Customer Meter Billings	Sales (‘000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales (‘000 Gal)	Proposed Rate	Total Revenue			
1	Industrial:  Minimum Charge:											
2												
3		5/8" Monthly	12		\$7.08	\$85	12		\$8.50	\$102	\$17	20.00%
4		3/4" Monthly	0		9.06	0	0		10.90	0	0	0.00%
5		1" Monthly	59		12.84	758	59		15.40	909	151	19.92%
6		1-1/2" Monthly	0		22.33	0	0		26.80	0	0	0.00%
7		2" Monthly	72		33.71	2,427	72		40.50	2,916	489	20.15%
8		3" Monthly	24		60.24	1,446	24		72.00	1,728	282	19.50%
9		4" Monthly	47		98.15	4,613	47		118.00	5,546	933	20.23%
10		6" Monthly	46		192.93	8,875	46		232.00	10,672	1,797	20.25%
11		8" Monthly	0		306.65	0	0		368.00	0	0	0.00%
12		10" Monthly	0		520.92	0	0		625.00	0	0	0.00%
13	12" Monthly	0		859.27	0	0		1,032.00	0	0	0.00%	
14												
15												
16												
17	Volumetric Charges:											
18	First Block		12,124	\$4.6869	56,824		12,124	\$4.0140	48,666	(8,158)	-14.36%	
19	Second Block		60,583	2.6256	159,066		60,583	3.5000	212,039	52,973	33.30%	
20	Third Block		61,412	2.0263	124,440		61,412	1.5500	95,189	(29,251)	-23.51%	
21	Fourth Block		2,100	1.3645	2,865		2,100	1.5500	3,255	390	13.61%	
22	FAL's and Credits		(88)		934		(88)		985	51	5.46%	
23	Reconcile to Books								0	0	0.00%	
24	Total		136,131		\$362,333		136,131		\$382,007	\$19,674	5.43%	
25												
26												
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**12 Month Test Period Ended December 31, 2002**

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## 12 Month Test Period Ended December 31, 2002

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**12 Month Test Period Ended December 31, 2002**

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**Test Year Operating Revenues at Present Rates vs Proposed Rates**  
**12 Month Test Period Ended December 31, 2002**

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Mexico**

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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1	Private Fire Service:							
2								
3								
4	Private Fire Hydrant	7	\$1,077.24	\$7,541	1,077.24	\$7,541	\$0	0.00%
5								
6	2"	1	154.44	154	154.44	154	0	0.00%
7								
8	3"	0	265.32	0	265.32	0	0	0.00%
9								
10	4"	10	420.84	4,208	420.84	4,208	0	0.00%
11								
12	6"	19	863.16	16,400	863.16	16,400	0	0.00%
13								
14	8"	11	1,485.36	16,339	1,485.36	16,339	0	0.00%
15								
16	10"	13	2,283.12	29,681	2,283.12	29,681	0	0.00%
17								
18	12"	1	3,255.36	3,255	3,255.36	3,255	0	0.00%
19								
20	FAL's and Credits			(47)		(47)	0	0.00%
21								
22	Total	62		\$77,531		\$77,531	\$0	0.00%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	501	0.00	0	328.68	164,669	164,669	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								