

Line No.	Description	Schedule	Amount
1			
2			
3			
4	Description	Schedule	Amount
5			
6	Rate Base	CAS-3-PKW	\$11,102,062
7			
8	Operating Income at Present Rates	CAS-8-PKW	670,793
9			
10	Earned Rate of return		6.04%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		921,471
15			
16	Operating Income Deficiency		250,678
17			
18	Gross Revenue Conversion Factor		1.62944
19			
20	Revenue Deficiency		408,465
21			
22	Adjusted Operating Revenues	CAS-8-PKW	2,914,493
23			
24	Total Revenue Requirement		\$3,322,958
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		
30	Revenue		\$1,000,000
31	Uncollectibles		0.39070%
32	PSC Assessment		3,907
33	Before Tax Amount		0.00000%
34	State Income Taxes		996,093
35	Federal Income Taxes		51,929
36	Total Taxes and Expenses		330,457
37	Net Amount		386,293
38			\$613,707
39	Conversion Factor		1.62944
40			

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

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

**Case No. WR-2003-XXX**  
**Schedule CAS-3-PKW**  
**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-PKW	16,743,518	2,751,700	19,495,218
6					
7	Accumulated Provision for Depreciation	CAS-5-PKW	(2,876,754)	(211,485)	(3,088,239)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	12,014	12,014
12					
13	Net Utility Plant		<u>13,866,764</u>	<u>2,552,229</u>	<u>16,418,993</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-PKW	1,620,721	513,100	2,133,821
18	Contributions in Aid of Construction	CAS-6-PKW	2,267,904	(42,305)	2,225,599
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	776,747	276,701	1,053,448
21	Pension Liability	W/P's	54,019	52,416	106,435
22					
23					
24	Subtotal		<u>4,719,391</u>	<u>799,912</u>	<u>5,519,303</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-PKW	0	0	0
29	Materials and Supplies	W/P's	44,583	0	44,583
30	Prepayments	W/P's	5,859	0	5,859
31	OP&EB's Contributed to External Fund	W/P's	53,943	(1,429)	52,514
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	66,378	33,038	99,416
34					
35	Subtotal		<u>170,763</u>	<u>31,609</u>	<u>202,372</u>
36					
37	Total Original Cost Rate Base		<u>9,318,136</u>	<u>1,783,926</u>	<u>11,102,062</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	301	Organization	\$0	\$5,761	\$5,761
3	302	Franchise & Consents	13	0	13
4	303	Miscellaneous Intangible Plant Studies	0	3,218	3,218
5		Subtotal	13	8,979	8,992
6		<u>Source of Supply Plant</u>			
7	310	Land & Land Rights	1,735	0	1,735
8	311	Structures & Improvements	15,102	11,052	26,154
9	312	Collection & Impound Reservoirs	0	0	0
10	313	Lake, River, & Other Intakes	0	0	0
11	314	Wells & Springs	184,195	0	184,195
12	316	Supply Mains	167,905	1,419,861	1,587,766
13		Subtotal	368,937	1,430,913	1,799,850
14		<u>Pumping Plant</u>			
15	320	Pumping Land & Land Rights	0	0	0
16	321	Pumping Structures & Improvements	15,881	32,234	48,115
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	756,171	4,052	760,223
21	326	Diesel Pumping Equipment	12,817	0	12,817
22	327	Pump Equip Hydraulic	81,548	0	81,548
23	328	Other Pumping Equipment	23,818	0	23,818
24		Subtotal	890,235	36,286	926,521
25		<u>Treatment Plant</u>			
26	330	Water Treatment Land & Land Rights	432	0	432
27	331	Water Treatment Structures & Improvements	470,397	163,014	633,411
28	332	Water Treatment Equipment	2,188,602	81,047	2,269,649
29	332.4	Water Treatment Equipment - Filter Plant	0	73,679	73,679
30		Subtotal	2,659,431	317,740	2,977,171
31		<u>Transmission &amp; Distribution Plant</u>			
32	340	Transmission & Distribution Land	12,956	0	12,956
33	341	Transmission & Distribution Structures & Improvements	103,702	0	103,702
34	342	Distribution Reservoirs & Standpipes	1,065,894	28,551	1,094,445
35	343	Transmission & Distribution Mains Com	3,519,707	0	3,519,707
36	343.1	Transmission & Distribution Mains < 4'	212,709	0	212,709
37	343.2	Transmission & Distribution Mains 6" - 8'	1,604,680	455,979	2,060,659
38	343.3	Transmission & Distribution Mains > 10'	2,616,530	0	2,616,530
39		Subtotal	9,136,178	484,530	9,620,708
40					

Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Parkville Water (Platte County)

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

Case No. WR-2003-XXX  
 Schedule CAS-4-PKW  
 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		9,136,178	484,530	9,620,708
2	344	Fire mains		63,735	0	63,735
3	345	Services		1,168,928	217,375	1,386,303
4	346.1	Meters - Bronze Case		155,003	46,049	201,052
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		105,783	1,013	106,796
7	347	Meter Installation		527,960	58,114	586,074
8	348	Hydrants		842,672	9,210	851,882
9	349	Other Transmission & Distribution Plant		5,083	0	5,083
10		Subtotal		12,005,342	816,291	12,821,633
11		General Plant				
12	389	General Land & Land Rights		142	0	142
13	390	Stores Shops Equipment Structures		21,415	0	21,415
14	390.1	Office Structures		66,601	1,930	68,531
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		221,005	0	221,005
17	391	Office Furniture and Equipment		50,890	75,121	126,011
18	391.2	Computers & Peripheral Equipment		5,484	9,169	14,653
19	391.25	Computer Software		7,860	7,118	14,978
20	391.26	Personal Computer Software		0	1,763	1,763
21	391.3	Other Office Equipment		167,451	161	167,612
22	392.11	Transportation Equipment - Light Trucks		56,360	1,000	57,360
23	392.12	Transportation Equipment - Heavy Trucks		0	34,997	34,997
24	392.2	Transportation Equipment - Cars		15,537	1,977	17,514
25	392.3	Transportation Equipment - Other		0	0	0
26	393	Stores Equipment		4,424	0	4,424
27	394	Tools, Shop, & Garage Equipment		35,612	5,233	40,845
28	395	Laboratory Equipment		68,263	0	68,263
29	396	Power Operated Equipment		438	0	438
30	397	Communication Equipment (non telephone)		47,048	80	47,128
31	397.2	Telephone Equipment		0	330	330
32	398	Miscellaneous Equipment		51,030	2,612	53,642
33	399	Other Tangible Property		0	0	0
34		Subtotal		819,560	141,491	961,051
35		Total Plant in Service		\$16,743,518	\$2,751,700	\$19,495,218
36						
37						
38						
39						
40						

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

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

**Case No. WR-2003-XXX**  
**Schedule CAS-5-PKW**  
**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	17,043	17,043
5	303	Subtotal	0	17,043	17,043
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	6,331	(438)	5,893
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	63,361	3,850	67,211
12	314	Supply Mains	30,561	(112,428)	(81,867)
13	316	Subtotal	100,253	(109,016)	(8,763)
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	6,185	(2,285)	3,900
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	150,937	25,803	176,740
21	325	Diesel Pumping Equipment	0	268	268
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	0	493	493
24	328	Subtotal	157,122	24,279	181,401
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	116,019	879	116,898
28	331	Water Treatment Equipment	378,544	52,611	431,155
29	332	Water Treatment Equipment - Filter Plant	0	(5,975)	(5,975)
30	332.4	Subtotal	494,563	47,515	542,078
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	0	0	0
33	340	Transmission & Distribution Structures & Improvements	3,910	5,285	9,195
34	341	Distribution Reservoirs & Standpipes	63,923	16,933	80,856
35	342	Transmission & Distribution Mains Conv	1,143,018	49,958	1,192,976
36	343	Transmission & Distribution Mains < 4"	0	2,944	2,944
37	343.1	Transmission & Distribution Mains 6" - 8"	0	(14,770)	(14,770)
38	343.2	Transmission & Distribution Mains > 10"	0	36,217	36,217
39	343.3	Subtotal	1,210,851	96,567	1,307,418
40					

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

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

Case No. WR-2003-XXX  
Schedule CAS-5-PKW  
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>		1,210,851	96,567	1,307,418
2	344	Fire mains		10,365	853	11,218
3	345	Services		323,931	10,551	334,482
4	346.1	Meters - Bronze Case		0	4,279	4,279
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		106,615	5,387	112,002
7	347	Meter Installation		66,938	6,466	73,404
8	348	Hydrants		236,813	22,890	259,703
9	349	Other Transmission & Distribution Plant		1,239	137	1,376
10		Subtotal		1,956,752	147,130	2,103,882
11		General Plant				
12	389	General Land & Land Rights		0	0	0
13	390	Stores Shops Equipment Structures		0	505	505
14	390.1	Office Structures		30,776	2,153	32,929
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		0	5,207	5,207
17	391	Office Furniture and Equipment		54,377	1,110	55,487
18	391.2	Computers & Peripheral Equipment		0	20,525	20,525
19	391.25	Computer Software		0	16,241	16,241
20	391.26	Personal Computer Software		0	3,390	3,390
21		Other Office Equipment		0	14,413	14,413
22	391.3	Transportation Equipment - Light Trucks		0	9,519	9,519
23	392.11	Transportation Equipment - Heavy Trucks		0	(2,839)	(2,839)
24	392.12	Transportation Equipment - Cars		0	3,747	3,747
25	392.2	Transportation Equipment - Other		0	0	0
26	392.3	Stores Equipment		17,258	36	17,258
27	393	Tools, Shop, & Garage Equipment		2,473	1,421	2,509
28	394	Laboratory Equipment		15,148	2,766	16,569
29	395	Power Operated Equipment		18,991	20	21,757
30	396	Communication Equipment (non telephone)		376	3,964	396
31	397	Telephone Equipment		24,980	483	28,944
32	397.2	Miscellaneous Equipment		0	1,873	483
33	398	Other Tangible Property		3,685	0	5,558
34	399	Subtotal		0	84,535	252,598
35		Total Plant in Service		168,063		
36				<u>\$2,876,754</u>	<u>\$211,485</u>	<u>\$3,088,239</u>
37						

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Balance
1					
2					
3		Customer Advances			
4	252.11	Advances for Construction - Extensions	1,562,011	513,100	2,075,111
5	252.71	Advances for Construction - Taxable Extensions	58,710	0	58,710
6		Total Customer Advances	1,620,721	513,100	2,133,821
7					
8					
9					
10					
11		Contributions in Aid of Construction			
12	271.11	Contributions in Aid - NT Mains	97,451	0	97,451
13	271.12	Contributions in Aid - NT Extension Deposit	39,842	0	39,842
14	271.21	Contributions in Aid - NT Services	0	0	0
15	271.30	Contributions in Aid - NT Meters	17,171	0	17,171
16		Contributions in Aid - NT Hydrants	236,482	0	236,482
17		Contributions in Aid - NT Other	0	0	0
18	271.71	Contributions in Aid - Taxable Mains	1,849,044	0	1,849,044
19	271.12	Contributions in Aid - Taxable Extension Deposit	497,639	0	497,639
20	271.27	Contributions in Aid - Taxable Services	189	0	189
21	271.37	Contributions in Aid - Taxable Meters	7,683	0	7,683
22	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
23		Accumulated Amortization - CIAC	(477,597)	(42,305)	(519,902)
24		Total Contributions in Aid of Construction	2,267,904	(42,305)	2,225,599
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	195,728	536	39.87	10.23	29.64	15,894
5	Tax Withholding	92,999	255	39.87	17.39	22.48	5,728
6	Fuel and Power	138,302	379	39.87	37.22	2.65	1,004
7	Chemicals	81,779	224	39.87	39.87	0.00	0
8	Purchased Water	102,995	282	39.87	53.15	(13.28)	(3,747)
9	Service Company Charges	139,897	383	39.87	(4.13)	44.00	16,864
10	Group Insurance	44,344	121	39.87	(8.54)	48.41	5,881
11	OP&B's	19,920	55	39.87	(0.04)	39.91	2,178
12	Pensions	47,032	129	39.87	39.87	0.00	0
13	ESOP	2,846	8	39.87	39.87	0.00	0
14	Insurance Other than Group	27,963	77	39.87	39.87	0.00	0
15	Uncollectables	11,268	31	39.87	39.87	0.00	0
16	Rents	18,945	52	39.87	24.37	15.50	805
17	401(k)	35,135	96	39.87	48.80	(8.93)	(860)
18	Other O&M	260,686	714	39.87	20.67	19.20	13,713
19	Total O&M Expenses	1,219,840					57,460
20							
21	Depreciation Amortization Expense	381,820	1,046	39.87	-	39.87	41,707
22	Property Taxes	463,473	1,270	39.87	182.50	(142.63)	(181,110)
23	Public Service Commission Fee	12,761	35	39.87	39.87	0.00	0
24	Franchise and Environment Tax	3,567	10	39.87	110.50	(70.63)	(690)
25	FICA Taxes	408	1	39.87	13.44	26.43	30
26	FUTA Taxes	20,791	57	39.87	62.05	(22.18)	(1,263)
27	SUTA Taxes	349	1	39.87	62.05	(22.18)	(21)
28	Federal Income Tax - Current	(131,091)	(359)	39.87	60.25	(20.38)	7,320
29	State Income Tax - Current	(20,600)	(56)	39.87	62.17	(22.30)	1,259
30	Deferred Income Taxes	330,362	905	39.87	0.00	39.87	36,086
31	Interest Expense	389,792	1,068	39.87	91.15	(51.28)	(54,763)
32	Preferred Dividends	5,553	15	39.87	45.63	(5.76)	(88)
33	Total Working Capital Requirement	2,677,025					(94,073)
34							
35							
36	Total Cash and Working Capital Requirement Used						0
37							
38							
39							
40							



Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Parkville Water (Platte County)

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

Case No. WR-2003-XXX  
 Schedule CAS-8-PKW  
 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-PKW	\$2,986,736	(\$72,243)	\$2,914,493	\$408,465	\$3,322,958
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-PKW	1,077,708	104,152	1,181,860	1,596	1,183,456
10	Depreciation Expense	CAS-10-PKW	322,890	58,930	381,820		381,820
11	Amortization Expense	CAS-10-PKW	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-PKW	367,988	95,485	463,473		463,473
15	Payroll Taxes	CAS-10-PKW	23,523	(1,975)	21,548		21,548
16	PSC Fees	CAS-10-PKW	9,073	0	9,073	0	9,073
17	Other	CAS-10-PKW	3,483	3,772	7,255		7,255
18							
19	Utility Operating Income Before Income Taxes		1,182,071	(332,607)	849,464	406,869	1,256,333
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-PKW	22,297	(153,388)	(131,091)	134,980	3,889
23	State Income Tax	CAS-12-PKW	9,504	(30,104)	(20,600)	21,211	611
24	Deferred Income Taxes		129,383	200,979	330,362	0	330,362
25	Amortization of Investment Tax Credit		0		0		0
26							
27	Utility Operating Income		\$1,020,887	(\$350,094)	\$670,793	\$250,678	\$921,471
28							
29							
30							
31							
32							
33							
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Parkville Water (Platte County)

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

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

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	\$2,067,991	\$10,770	(\$227)	\$2,078,534	(\$44,982)		\$2,033,552
4	Commercial	470,797	9,380	533	480,710	(48,569)		432,141
5	Industrial	14,591	192	1	14,783			14,783
6	Other Public Authority	94,530	1,572	(2)	96,101			96,101
7	Sales for Resale	227,205	3,407	1	230,613			230,613
8	Miscellaneous	16,218	0	0	16,218			16,218
9	Total Metered Sales	2,891,332	25,321	306	2,916,959	(93,551)	0	2,823,408
10	Sewer Service							
11		0	0	0	0	0	0	0
12	Fire Service							
13	Private Fire Service	65,090		(4,319)	60,771		0	60,771
14	Total Fire Service	65,090	0	(4,319)	60,771	0	0	60,771
15	Total Sales of Water	2,956,422	25,321	(4,013)	2,977,730	(93,551)	0	2,884,179
16	Other Operating Revenues							
17	Reconnect Charges	6,820			6,820			6,820
18	Returned Check Charge	636			636			636
19	Application Fee	20,340			20,340			20,340
20	Miscellaneous Other Revenue	1,363			1,363			1,363
21	Rents from Water Property	1,155			1,155			1,155
22	Total Other Operating Revenues	30,314	0	0	30,314	0	0	30,314
23	Total Operating Revenues	\$2,986,736	\$25,321	(\$4,013)	\$3,008,043	(\$93,551)	\$0	\$2,914,492

Summary of Operations and Maintenance Expenses and General Taxes  
 For the Test Year Ended December 31, 2002

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
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-PKW which provides additional detail and support.				
3					
4					
5					
6					
7	Labor	CAS-11-PKW	\$295,707	(\$6,979)	\$288,728
8	Purchased Water	CAS-11-PKW	107,353	(4,358)	102,995
9	Fuel and Power	CAS-11-PKW	144,134	(5,832)	138,302
10	Chemicals	CAS-11-PKW	86,432	(4,653)	81,779
11	Waste Disposal	CAS-11-PKW	0	0	0
12	Management Fees	CAS-11-PKW	85,059	54,838	139,897
13	Group Insurance	CAS-11-PKW	64,263	1,526	65,789
14	Pensions	CAS-11-PKW	16,720	30,312	47,032
15	Regulatory Expense	CAS-11-PKW	6,092	(3,007)	3,085
16	Insurance, Other than Group	CAS-11-PKW	33,876	(5,913)	27,963
17	Customer Accounting	CAS-11-PKW	37,120	(3,671)	33,449
18	Rents	CAS-11-PKW	9,275	9,670	18,945
19	General Office Expense	CAS-11-PKW	33,270	220	33,490
20	Miscellaneous	CAS-11-PKW	76,297	10,645	86,942
21	Maintenance - Other	CAS-11-PKW	82,110	31,353	113,463
22	Total Operations and Maintenance		1,077,708	104,152	1,181,860
23					
24	Depreciation	CAS-11-PKW	322,890	58,930	381,820
25	Amortization	CAS-11-PKW	0	0	0
26	Total Depreciation and Amortization		322,890	58,930	381,820
27					
28	Property Taxes	CAS-11-PKW	367,988	95,485	463,473
29	Payroll Taxes	CAS-11-PKW	23,523	(1,975)	21,548
30	PSC Fees	CAS-11-PKW	9,073	0	9,073
31	Other General Taxes	CAS-11-PKW	3,483	3,772	7,255
32	Total Taxes Other Than Income Taxes		404,067	97,282	501,349
33					
34					
35					
36					
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### Overall Revenue Requirement Summary

For the Test Year Ended December 31, 2002

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

Line  
No.[illegible]

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

Line  
No.[illegible]

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

Line  
No.[illegible]

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

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	\$849,464	\$849,464	\$1,256,333	\$1,256,333
Interest Expense Deduction	389,682	389,682	389,682	389,682
Taxable Income	459,782	459,782	866,651	866,651
Addback (Deducts):				
Tax over Book Depreciation	(855,730)	(855,730)	(855,730)	(855,730)
Non-deductible Meals	789	789	789	789
Amortization Preferred Stock Expense	14	14	14	14
Non-deductible Reserve Deficiency	0	0	0	0
Total Addbacks (Deducts)	(854,927)	(854,927)	(854,927)	(854,927)
Taxable Income	(395,145)	(395,145)	11,724	11,724
Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates	(131,091)	(20,600)	3,889	611
Per Books Amount / Present Rates	22,297	9,504	(131,091)	(20,600)
Proforma adjustment	(\$153,388)	(\$30,104)	\$134,980	\$21,211

(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: Parkville Water (Platte County)**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-PKW**  
**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	486,709	\$2,033,535	486,709	\$2,199,908	\$166,373	8.18%
5	Commercial	135,489	432,141	135,489	438,901	6,760	1.56%
6	Industrial	5,969	14,783	5,969	15,687	904	6.12%
7	Other Public Authority	27,209	96,101	27,209	85,297	(10,804)	-11.24%
8	Other Water Utilities	84,324	230,613	84,324	203,705	(26,908)	-11.67%
9	Miscellaneous	4,191	16,218	4,191	16,218	0	0.00%
10	Private Fire	0	60,771	0	60,771	0	0.00%
11	Public Fire	0	0	0	205,399	205,399	0.00%
12	Total	743,890	2,884,162	743,890	3,225,886	\$341,724	11.85%
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		6,820		6,820	0	0.00%
18	Returned Check Charge		636		636	0	0.00%
19	Application Fee		20,340		20,340	0	0.00%
20	Miscellaneous Other Revenue		1,363		1,363	0	0.00%
21	Rents from Water Property		1,155		1,155	0	0.00%
22							
23							
24			<u>\$2,914,476</u>		<u>\$3,256,200</u>	<u>341,724</u>	<u>11.73%</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: Parkville Water (Platte Coun**

Case No. WR-2003-XXX  
Schedule CAS-14-PKW  
Page 1 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)		
1	<b>Residential:</b>								
2	<b>Minimum Charge:</b>								
3	5/8" Monthly	53,299		\$7.08	\$377,354	53,299	\$8.50	\$453,038	\$75,684
4	3/4" Monthly	0		9.06	0	0	10.90	0	20.06%
5	1" Monthly	1,966		12.84	25,237	1,966	15.40	30,269	0.00%
6	1-1/2" Monthly	443		22.33	9,890	443	26.80	11,870	19.94%
7	2" Monthly	92		33.71	3,098	92	40.50	3,722	20.02%
8	3" Monthly	13		60.24	759	13	72.00	907	20.14%
9	4" Monthly	13		98.15	1,237	13	118.00	1,487	19.50%
10	6" Monthly	0		192.93	0	0	232.00	0	20.21%
11	8" Monthly	0		306.65	0	0	368.00	0	0.00%
12	10" Monthly	0		520.92	0	0	625.00	0	0.00%
13	12" Monthly	0		859.27	0	0	1,032.00	0	0.00%
14									
15									
16									
17	<b>Volumetric Charges:</b>								
18	First Block		447,899	\$3.4685	1,553,538				
19	Second Block		23,402	1.9430	45,470	447,899	\$3.4900	1,563,168	9,630
20	Third Block		2,844	1.4995	4,265	23,402	3.4900	81,673	79.62%
21	Fourth Block		12,564	1.0098	12,687	2,844	3.4900	9,927	132.75%
22	FAL's and Credits		0		0	12,564	3.4900	43,847	245.61%
23	Reconcile to Books					0		0	0.00%
24	Total		486,709		\$2,033,535	486,709		\$2,199,908	0.00%
25								\$166,373	8.18%
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

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

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

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

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-PKW**  
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**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-PKW**  
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**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Water (Platte County)**

**Case No. WR-2003-XXX  
Schedule CAS-14-PKW  
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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: Parkville Water (Platte County)**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-PKW**  
**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	27	\$980.64	\$26,477	980.64	\$26,477	\$0	0.00%
5								
6	2"	1	140.52	141	140.52	141	0	0.00%
7								
8	3"	0	241.44	0	241.44	0	0	0.00%
9								
10	4"	5	383.16	1,916	383.16	1,916	0	0.00%
11								
12	6"	25	785.76	19,644	785.76	19,644	0	0.00%
13								
14	8"	9	1,352.04	12,168	1,352.04	12,168	0	0.00%
15								
16	10"	3	2,078.16	6,234	2,078.16	6,234	0	0.00%
17								
18	12"	0	2,963.16	0	2,963.16	0	0	0.00%
19								
20	FAL's and Credits			(5,809)		(5,809)	0	0.00%
21								
22	Total			<u>\$60,771</u>		<u>\$60,771</u>	<u>\$0</u>	<u>0.00%</u>
23				<u>70</u>		<u>\$60,771</u>	<u>\$0</u>	<u>0.00%</u>
24								
25								
26	<b>Public Fire Protection:</b>							
27								
28	Public Fire Hydrants							
29				<u>582</u>	352.92	<u>205,399</u>	<u>205,399</u>	<u>0.00%</u>
30			0.00	<u>0</u>				
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-SCH	\$33,788,613
7			
8	Operating Income at Present Rates	CAS-8-SCH	2,526,101
9			
10	Earned Rate of return		7.48%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		2,804,455
15			
16	Operating Income Deficiency		278,354
17			
18	Gross Revenue Conversion Factor		1.62742
19			
20	Revenue Deficiency		452,999
21			
22	Adjusted Operating Revenues	CAS-8-SCH	8,682,717
23			
24	Total Revenue Requirement		\$9,135,716
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		\$1,000,000
30	Revenue		2,672
31	Uncollectibles		0.00000%
32	PSC Assessment		0.000
33	Before Tax Amount		997,328
34	State Income Taxes	5.21327%	51,993
35	Federal Income Taxes	33.17536%	330,867
36	Total Taxes and Expenses		385,532
37	Net Amount		\$614,468
38			
39	Conversion Factor		1.62742
40			

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-SCH	60,762,263	4,412,193	66,174,446
6					
7	Accumulated Provision for Depreciation	CAS-5-SCH	(11,037,165)	(1,132,470)	(12,169,635)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	66,340	66,340
12					
13	Net Utility Plant		49,725,088	3,346,063	53,071,151
14					
15					
16	Less:				
17	Customer Advances	CAS-6-SCH	1,931,719	977,168	2,908,887
18	Contributions in Aid of Construction	CAS-6-SCH	13,559,689	(266,214)	13,293,475
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	2,820,888	339,944	3,160,832
21	Pension Liability	W/P's	298,300	289,450	587,750
22					
23					
24	Subtotal		18,610,596	1,340,348	19,950,944
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-SCH	0	0	0
29	Materials and Supplies	W/P's	127,741	0	127,741
30	Prepayments	W/P's	32,351	0	32,351
31	OPEB's Contributed to External Fund	W/P's	298,070	(7,894)	290,176
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	172,626	45,512	218,138
34					
35	Subtotal		630,788	37,618	668,406
36					
37	Total Original Cost Rate Base		31,745,279	2,043,334	33,788,613
38					
39					
40					

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIs
1					
2					
3	301	Intangible Plant			
4	302	Organization	\$0	\$31,811	\$31,811
5	303	Franchise & Consents	12,572	0	12,572
6		Miscellaneous Intangible Plant Studies	0	17,767	17,767
7		Subtotal	12,572	49,578	62,150
8		Source of Supply Plant			
9	310	Land & Land Rights	5,372	0	5,372
10	311	Structures & Improvements	0	0	0
11	312	Collection & Impound Reservoirs	0	0	0
12	313	Lake, River, & Other Intakes	0	0	0
13	314	Wells & Springs	0	0	0
14	316	Supply Mains	0	1,908,752	1,908,752
15		Subtotal	5,372	1,908,752	1,914,124
16		Pumping Plant			
17	320	Pumping Land & Land Rights	1,193	0	1,193
18	321	Pumping Structures & Improvements	1,345,557	34,997	1,380,554
19	322	Boiler Plant Equipment	0	0	0
20	323	Force Mains	250,571	0	250,571
21	324	Steam Pumping Equipment	0	0	0
22	325	Electric Pumping Equipment	2,080,115	3,223	2,083,338
23	326	Diesel Pumping Equipment	0	0	0
24	327	Pump Equip Hydraulic	0	0	0
25	328	Other Pumping Equipment	5,613	0	5,613
26		Subtotal	3,683,049	38,220	3,721,269
27		Treatment Plant			
28	330	Water Treatment Land & Land Rights	5,372	0	5,372
29	331	Water Treatment Structures & Improvements	0	0	0
30	332	Water Treatment Equipment	16,283	0	16,283
31	332.4	Water Treatment Equipment - Filter Plant	0	0	0
32		Subtotal	21,655	0	21,655
33		Transmission & Distribution Plant			
34	340	Transmission & Distribution Land	266,396	0	266,396
35	341	Transmission & Distribution Structures & Improvements	531,052	0	531,052
36	342	Distribution Reservoirs & Standpipes	1,726,137	24,867	1,751,004
37	343	Transmission & Distribution Mains Con	16,896,240	651,596	17,547,836
38	343.1	Transmission & Distribution Mains < 4'	474,395	0	474,395
39	343.2	Transmission & Distribution Mains 6" - 8'	5,363,251	38,681	5,401,932
40	343.3	Transmission & Distribution Mains > 10'	17,267,020	595,038	17,862,058
		Subtotal	42,524,491	1,310,182	43,834,673

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

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

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

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPS
1		<u>Transmission &amp; Distribution Plant</u>		42,524,491	1,310,182	43,834,673
2	344	Fire mains		227,959	0	227,959
3	345	Services		5,201,689	162,939	5,364,628
4	346.1	Meters - Bronze Case		712,579	86,112	798,691
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		323,170	0	323,170
7	347	Meter Installation		2,585,387	180,751	2,766,138
8	348	Hydrants		3,578,318	13,815	3,592,133
9	349	Other Transmission & Distribution Plant		3,964	0	3,964
10		Subtotal		55,157,557	1,753,799	56,911,356
11		General Plant				
12		General Land & Land Rights		0	0	0
13	389	Stores Shops Equipment Structures		0	0	0
14	390	Office Structures		316,030	10,658	326,688
15	390.1	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		977	0	977
17	391	Office Furniture and Equipment		93,300	409,102	502,402
18	391.2	Computers & Peripheral Equipment		10,890	59,840	70,730
19	391.25	Computer Software		11,476	39,308	50,784
20	391.26	Personal Computer Software		108,590	9,735	118,325
21	391.3	Other Office Equipment		0	889	889
22	392.11	Transportation Equipment - Light Trucks		175,175	36,837	212,012
23	392.12	Transportation Equipment - Heavy Trucks		0	61,706	61,706
24	392.2	Transportation Equipment - Cars		0	10,919	10,919
25	392.3	Transportation Equipment - Other		860	0	860
26	393	Stores Equipment		907	0	907
27	394	Tools, Shop, & Garage Equipment		95,224	17,342	112,566
28	395	Laboratory Equipment		5,427	2,302	7,729
29	396	Power Operated Equipment		83,202	0	83,202
30	397	Communication Equipment (non telephone)		20,654	441	21,095
31	397.2	Telephone Equipment		12,580	1,820	14,400
32	398	Miscellaneous Equipment		91,558	945	92,503
33	399	Other Tangable Property		855,198	0	855,198
34		Subtotal		1,882,048	661,844	2,543,892
35		Total Plant in Service		\$60,762,253	\$4,412,193	\$65,174,446
36						
37						
38						
39						
40						

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

Accumulated Depreciation and Amortization  
Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-5-SCH  
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	306,586	94,207	400,793
5	303	Subtotal	306,586	94,207	400,793
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	0	0	0
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	0	0	0
12	314	Supply Mains	0	(169,023)	(169,023)
13	316	Subtotal	0	(169,023)	(169,023)
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	209,078	24,776	233,854
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	29,181	4,869	34,050
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	541,922	71,599	613,521
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	4,727	116	4,843
24	328	Subtotal	784,908	101,360	886,268
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	0	0	0
28	331	Water Treatment Equipment	2,641	440	3,081
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	2,641	440	3,081
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	0	0	0
33	340	Transmission Reservoirs & Standpipes	254,734	27,066	281,800
34	341	Transmission & Distribution Mains Conv	525,268	183,024	554,238
35	342	Transmission & Distribution Mains < 4"	5,425,526	6,566	5,608,550
36	343	Transmission & Distribution Mains 6" - 8"	0	70,811	70,811
37	343.1	Transmission & Distribution Mains > 10"	0	186,313	186,313
38	343.2	Subtotal	0	502,749	6,708,278
39	343.3				
40					

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

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

Case No. WR-2003-XXX  
Schedule CAS-5-SCH  
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		6,205,529	502,749	6,708,278
2	344	Fire mains		24,499	3,051	27,550
3	345	Services		1,709,536	110,976	1,820,512
4	346.1	Meters - Bronze Case		0	29,215	29,215
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		306,204	16,708	322,912
7	347	Meter Installation		388,359	38,739	427,098
8	348	Hydrants		997,468	99,149	1,096,617
9	349	Other Transmission & Distribution Plant		969	107	1,076
10		Subtotal		9,632,563	800,695	10,433,258
11		General Plant				
12		General Land & Land Rights		0	0	0
13	389	Stores Shops Equipment Structures		0	0	0
14	390	Office Structures		114,867	10,676	125,543
15	390.1	General Structures - HVAC		0	0	0
16	390	Miscellaneous Structures		0	23	23
17	390.3	Office Furniture and Equipment		(6,206)	(12,147)	(18,353)
18	391	Computers & Peripheral Equipment		0	111,009	111,009
19	391.2	Computer Software		0	87,093	87,093
20	391.25	Personal Computer Software		0	27,858	27,858
21	391.26	Other Office Equipment		0	1,949	1,949
22	391.3	Transportation Equipment - Light Trucks		64,912	35,268	100,180
23	392.11	Transportation Equipment - Heavy Trucks		0	(5,464)	(5,464)
24	392.12	Transportation Equipment - Cars		0	11,530	11,530
25	392.2	Transportation Equipment - Other		0	92	92
26	392.3	Stores Equipment		837	7	844
27	393	Tools, Shop, & Garage Equipment		39,117	3,863	42,980
28	394	Laboratory Equipment		5,541	15	5,556
29	395	Power Operated Equipment		6,327	3,867	10,194
30	396	Communication Equipment (non telephone)		0	5,826	5,826
31	397	Telephone Equipment		21,803	3,517	25,320
32	397.2	Miscellaneous Equipment		11,955	4,132	16,087
33	398	Other Tangible Property		51,312	15,679	66,991
34	399	Subtotal		310,466	304,792	615,258
35		Total Plant in Service		\$11,037,165	\$11,332,470	\$12,169,635
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	1,717,312	977,168	2,694,480
5	252.71	Advances for Construction - Taxable Extensions	214,407	0	214,407
6		Total Customer Advances	<u>1,931,719</u>	<u>977,168</u>	<u>2,908,887</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	255,429	0	255,429
13	271.12	Contributions in Aid - NT Extension Deposit	300	0	300
14	271.21	Contributions in Aid - NT Services	8,720	0	8,720
15	271.30	Contributions in Aid - NT Meters	14,798	0	14,798
16		Contributions in Aid - NT Hydrants	951,788	0	951,788
17		Contributions in Aid - NT Other	14,885	0	14,885
18	271.71	Contributions in Aid - Taxable Mains	13,450,720	0	13,450,720
19	271.12	Contributions in Aid - Taxable Extension Deposit	2,626,810	0	2,626,810
20	271.27	Contributions in Aid - Taxable Services	1,412	0	1,412
21	271.37	Contributions in Aid - Taxable Meters	236,397	0	236,397
22	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
23	Various	Accumulated Amortization - CIAC	(4,001,570)	(266,214)	(4,267,784)
24		Total Contributions in Aid of Construction	<u>13,559,689</u>	<u>(266,214)</u>	<u>13,293,475</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	530,932	1,455	39.92	10.23	29.69	43,187
4	Tax Withholding	252,269	691	39.92	17.39	22.53	15,572
5	Fuel and Power	62,819	172	39.92	37.22	2.70	465
6	Chemicals	0	0	39.92	39.92	0.00	0
7	Purchased Water	676,058	1,852	39.92	53.15	(13.23)	(24,505)
8	Service Company Charges	772,529	2,117	39.92	(4.13)	44.05	93,233
9	Group Insurance	115,758	317	39.92	(8.54)	48.46	15,369
10	OP&B's	110,564	303	39.92	(0.04)	39.96	12,104
11	Pensions	147,628	404	39.92	39.92	0.00	0
12	ESOP	6,919	19	39.92	39.92	0.00	0
13	Insurance Other than Group	69,686	191	39.92	39.92	0.00	0
14	Uncollectibles	22,861	63	39.92	39.92	0.00	0
15	Rents	54,998	151	39.92	24.37	15.55	2,343
16	401(k)	67,670	185	39.92	48.80	(8.88)	(1,646)
17	Other O&M	486,980	1,334	39.92	20.67	19.25	25,683
18							
19	Total O&M Expenses	3,377,671					181,805
20							
21	Depreciation Amortization Expense	1,157,013	3,170	39.92	-	39.92	126,542
22	Property Taxes	728,397	1,996	39.92	182.50	(142.58)	(284,534)
23	Public Service Commission Fee	38,017	104	39.92	39.92	0.00	0
24	Franchise and Environment Tax	16,828	46	39.92	110.50	(70.58)	(3,254)
25	FICA Taxes	865	2	39.92	13.44	26.48	63
26	FUTA Taxes	57,015	156	39.92	62.05	(22.13)	(3,457)
27	SUTA Taxes	7	0	39.92	62.05	(22.13)	0
28	Federal Income Tax - Current	224,438	615	39.92	60.25	(20.33)	(12,501)
29	State Income Tax - Current	35,269	97	39.92	62.17	(22.25)	(2,150)
30	Deferred Income Taxes	595,683	1,632	39.92	0.00	39.92	65,150
31	Interest Expense	1,165,743	3,249	39.92	91.15	(51.23)	(166,426)
32	Preferred Dividends	16,891	46	39.92	45.63	(5.71)	(264)
33	Total Working Capital Requirement	7,433,837					(99,026)
34							
35							
36	Total Cash and Working Capital Requirement Used						0
37							
38							
39							
40							



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

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

Case No. WR-2003-XXX  
Schedule CAS-8-SCH  
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							
7	Operating Revenues	CAS-9-SCH	\$8,575,508	\$107,209	\$8,682,717	\$452,999	\$9,135,716
8							
9	Operating Expenses						
10	Operating and Maintenance	CAS-10-SCH	3,906,108	(603,024)	3,303,084	1,210	3,304,294
11	Depreciation Expense	CAS-10-SCH	915,581	241,432	1,157,013		1,157,013
12	Amortization Expense	CAS-10-SCH	0	0	0		0
13							
14	Taxes other Than Income Taxes						
15	Property Taxes	CAS-10-SCH	610,131	118,266	728,397		728,397
16	Payroll Taxes	CAS-10-SCH	51,798	6,089	57,887		57,887
17	PSC Fees	CAS-10-SCH	50,105	0	50,105	0	50,105
18	Other	CAS-10-SCH	16,363	(11,623)	4,740		4,740
19							
20	Utility Operating Income Before Income Taxes		3,025,422	356,069	3,381,491	451,789	3,833,280
21							
22	Income Taxes						
23	Federal Income Tax	CAS-12-SCH	243,208	(18,770)	224,438	149,883	374,321
24	State Income Tax	CAS-12-SCH	103,672	(68,403)	35,269	23,553	58,822
25	Deferred Income Taxes		523,009	72,674	595,683	0	595,683
26	Amortization of Investment Tax Credit		0		0		0
27							
28	Utility Operating Income		\$2,155,533	\$370,568	\$2,526,101	\$278,353	\$2,804,454
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

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

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

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

Line #		Test Year Ending 12/31/02	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalizaton & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1								
2								
3								
4								
5	Sales of Water							
6	Metered Sales							
7	Residential	\$7,280,489	\$30,920	(\$3,106)	\$7,308,303	\$46,837		\$7,355,140
8	Commercial	892,557	2,165	1,105	895,827	26,384		922,211
9	Industrial	4,165	(33)	0	4,132			4,132
10	Other Public Authority	154,596	1,914	1,079	157,589			157,589
11	Sales for Resale	0	0	0	0			0
12	Miscellaneous	0	0	0	0			0
13								
14	Total Metered Sales	8,331,806	34,966	(922)	8,365,850	73,221	0	8,439,071
15								
16								
17	Sewer Service	0	0	0	0	0	0	0
18								
19	Fire Service							
20	Private Fire Service	116,846		(56)	116,790		0	116,790
21								
22	Total Fire Service	116,846	0	(56)	116,790	0	0	116,790
23								
24	Total Sales of Water	8,448,651	34,966	(978)	8,482,640	73,221	0	8,555,861
25								
26	Other Operating Revenues							
27	Reconnect Charges	8,935			8,935			8,935
28	Returned Check Charge	2,086			2,086			2,086
29	Application Fee	64,720			64,720			64,720
30	Miscellaneous Other Revenue	5,786			5,786			5,786
31	Rents from Water Property	16,300			16,300			16,300
32	Miscellaneous Sales Unmetered	29,029			29,029			29,029
33	Total Other Operating Revenues	126,856	0	0	126,856	0	0	126,856
34								
35								
36	Total Operating Revenues	\$8,575,508	\$34,966	(\$978)	\$8,609,496	\$73,221	\$0	\$8,682,717
37								
38								
39								
40								

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

**Summary of Operations and Maintenance Expenses and General Taxes**  
**For the Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-10-SCH**  
**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-SCH which provides additional detail and support.

Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
Labor	CAS-11-SCH	\$673,965	\$109,237	\$783,202
Purchased Water	CAS-11-SCH	1,757,128	(1,081,070)	676,058
Fuel and Power	CAS-11-SCH	63,613	(793)	62,820
Chemicals	CAS-11-SCH	4,567	(4,567)	0
Waste Disposal	CAS-11-SCH	0	0	0
Management Fees	CAS-11-SCH	469,701	302,828	772,529
Group Insurance	CAS-11-SCH	226,322	(44,531)	181,791
Pensions	CAS-11-SCH	91,904	55,724	147,628
Regulatory Expense	CAS-11-SCH	33,640	(16,607)	17,033
Insurance, Other than Group	CAS-11-SCH	105,236	(35,550)	69,686
Customer Accounting	CAS-11-SCH	103,315	(5,886)	97,429
Rents	CAS-11-SCH	21,042	33,956	54,998
General Office Expense	CAS-11-SCH	52,827	3,285	56,112
Miscellaneous	CAS-11-SCH	221,826	39,995	261,821
Maintenance - Other	CAS-11-SCH	81,022	40,955	121,977
Total Operations and Maintenance		3,906,108	(603,024)	3,303,084
Depreciation	CAS-11-SCH	915,581	241,432	1,157,013
Amortization	CAS-11-SCH	0	0	0
Total Depreciation and Amortization		915,581	241,432	1,157,013
Property Taxes	CAS-11-SCH	610,131	118,266	728,397
Payroll Taxes	CAS-11-SCH	51,798	6,089	57,887
PSC Fees	CAS-11-SCH	50,105	0	50,105
Other General Taxes	CAS-11-SCH	16,363	(11,623)	4,740
Total Taxes Other Than Income Taxes		728,397	112,732	841,129

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: St. Charles

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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: St. Charles

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Schedule CAS-11-SCH  
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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: St. Charles

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

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Proforma State and Federal Income Taxes at Present and Proposed Rates  
 For the Test Year Ended December 31, 2002

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					
2					
3					
4					
5					
6					
7					
8					
9					
10	Utility Operating Income Before Income Taxes	\$3,381,491	\$3,381,491	\$3,833,280	\$3,833,280
11					
12	Interest Expense Deduction	1,185,980	1,185,980	1,185,980	1,185,980
13					
14	Taxable Income	2,195,511	2,195,511	2,647,300	2,647,300
15					
16	Addback (Deducts):				
17	Tax over Book Depreciation	(1,523,428)	(1,523,428)	(1,523,428)	(1,523,428)
18	Non-deductible Meals	4,359	4,359	4,359	4,359
19	Amortization Preferred Stock Expense	79	79	79	79
20	Non-deductible Reserve Deficiency	0	0	0	0
21					
22	Total Addbacks (Deducts)	(1,518,990)	(1,518,990)	(1,518,990)	(1,518,990)
23					
24	Taxable Income	676,521	676,521	1,128,310	1,128,310
25					
26	Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
27					
28	Proforma Income Tax at Present / Proposed Rates	224,438	35,269	374,321	58,822
29					
30	Per Books Amount / Present Rates	243,208	103,672	224,438	35,269
31					
32	Proforma adjustment	(\$18,770)	(\$68,403)	\$149,883	\$23,553
33					
34					
35					
36					
37					
38					
39					
40					

(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: St. Charles**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-SCH**  
**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	2,668,058	\$7,355,128	2,668,058	\$7,053,323	(\$301,805)	-4.10%
5	Commercial	423,900	922,270	423,900	824,241	(98,029)	-10.63%
6	Industrial	2,429	4,132	2,429	4,222	90	2.18%
7	Other Public Authority	61,428	157,589	61,428	140,283	(17,306)	-10.98%
8	Other Water Utilities	0	0	0	0	0	0.00%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	116,790	0	116,790	0	0.00%
11	Public Fire	0	0	0	869,438	869,438	0.00%
12	Total	<u>3,155,815</u>	<u>8,555,909</u>	<u>3,155,815</u>	<u>9,008,297</u>	<u>\$452,388</u>	<u>5.29%</u>
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		8,935		8,935	0	0.00%
18	Returned Check Charge		2,086		2,086	0	0.00%
19	Application Fee		64,720		64,720	0	0.00%
20	Miscellaneous Other Revenue		5,786		5,786	0	0.00%
21	Rents from Water Property		16,300		16,300	0	0.00%
22	Miscellaneous Unmetered Sales		29,029		29,029	0	0.00%
23							
24			<u>\$8,682,765</u>		<u>\$9,135,153</u>	<u>452,388</u>	<u>5.21%</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**

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**Schedule CAS-14-SCH**  
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**12 Month Test Period Ended December 31, 2002**

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Schedule CAS-14-SCH  
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**12 Month Test Period Ended December 31, 2002**

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

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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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**Schedule CAS-14-SCH**  
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**12 Month Test Period Ended December 31, 2002**

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

**Case No. WR-2003-XXX**  
**Schedule CAS-14-SCH**  
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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: St. Charles**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-SCH**  
**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	18	\$822.12	\$14,798	822.12	\$14,798	\$0	0.00%
5								
6	2"	13	117.84	1,532	117.84	1,532	0	0.00%
7								
8	3"	0	202.44	0	202.44	0	0	0.00%
9								
10	4"	16	321.24	5,140	321.24	5,140	0	0.00%
11								
12	6"	57	658.80	37,552	658.80	37,552	0	0.00%
13								
14	8"	45	1,133.64	51,014	1,133.64	51,014	0	0.00%
15								
16	10"	4	1,742.40	6,970	1,742.40	6,970	0	0.00%
17								
18	12"	0	2,484.36	0	2,484.36	0	0	0.00%
19								
20	FAL's and Credits			(216)		(216)	0	0.00%
21								
22	Total	153		\$116,790		\$116,790	\$0	0.00%
23								
24								
25								
26	<b>Public Fire Protection:</b>							
27								
28	Public Fire Hydrants	2,762	0.00	0	314.79	869,438	869,438	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	Description	Schedule	Amount
5			
6	Rate Base	CAS-3-SJO	\$81,733,019
7			
8	Operating Income at Present Rates	CAS-8-SJO	5,433,842
9			
10	Earned Rate of return		6.65%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		6,783,841
15			
16	Operating Income Deficiency		1,349,999
17			
18	Gross Revenue Conversion Factor		1.63431
19			
20	Revenue Deficiency		2,206,317
21			
22	Adjusted Operating Revenues	CAS-8-SJO	16,875,711
23			
24	Total Revenue Requirement		\$19,082,028
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		
30	Revenue		\$1,000,000
31	Uncollectibles		0.68740%
32	PSC Assessment		6.874
33	Before Tax Amount		0.000
34	State Income Taxes		993,126
35	Federal Income Taxes		51,774
36	Total Taxes and Expenses		329,473
37	Net Amount		33,17536%
38			388,121
39	Conversion Factor		\$611,879
40			1.63431

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

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

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

Line #		Supporting Reference	Per Books 12/31/02	Adjustments	Pro Forma Rate Base
1					
2					
3	<u>Rate Base Component</u>				
4					
5	Utility Plant in Service	CAS-4-SJO	102,372,484	3,393,344	105,765,828
6					
7	Accumulated Provision for Depreciation	CAS-5-SJO	(12,319,516)	(2,680,148)	(14,999,664)
8					
9	Accumulated Amortization	W/P's	(386,257)	0	(386,257)
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	75,802	75,802
12					
13	Net Utility Plant		<u>89,666,711</u>	<u>788,998</u>	<u>90,455,709</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-SJO	975,937	359,851	1,335,788
18	Contributions in Aid of Construction	CAS-6-SJO	2,545,161	(41,213)	2,503,948
19	Accumulated Deferred ITC (3%)	W/P's	32,693	0	32,693
20	Deferred Income Taxes	W/P's	4,784,336	335,227	5,119,563
21	Pension Liability	W/P's	340,846	330,733	671,579
22					
23					
24	Subtotal		<u>8,678,973</u>	<u>984,598</u>	<u>9,663,571</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-SJO	0	0	0
29	Materials and Supplies	W/P's	142,633	0	142,633
30	Prepayments	W/P's	36,965	0	36,965
31	OREB's Contributed to External Fund	W/P's	340,499	(9,018)	331,481
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	368,884	60,918	429,802
34					
35	Subtotal		<u>888,981</u>	<u>51,900</u>	<u>940,881</u>
36					
37	Total Original Cost Rate Base		<u>81,876,719</u>	<u>(143,700)</u>	<u>81,733,019</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	\$0	\$36,349	\$36,349
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	20,302	20,302
5	303	Subtotal	0	56,651	56,651
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	1,221,221	0	1,221,221
8	310	Structures & Improvements	0	8,289	8,289
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	6,326	0	6,326
11	313	Wells & Springs	27,952	2,763	30,715
12	314	Supply Mains	9,298,467	0	9,298,467
13	316	Subtotal	10,553,966	11,052	10,565,018
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	8,921	0	8,921
16	320	Pumping Structures & Improvements	4,586,268	38,681	4,624,949
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	4,752,682	0	4,752,682
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	9,347,871	38,681	9,386,552
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	22,933,491	1,842	22,935,333
28	331	Water Treatment Equipment	21,914,045	1,648,723	23,562,768
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	44,847,536	1,650,565	46,498,101
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	37,709	0	37,709
33	340	Transmission & Distribution Structures & Improvements	139,397	0	139,397
34	341	Distribution Reservoirs & Standpipes	1,821,085	77,363	1,898,448
35	342	Transmission & Distribution Mains Con	0	45,525	0
36	343	Transmission & Distribution Mains < 4'	669,160	151,390	820,550
37	343.1	Transmission & Distribution Mains 6" - 8'	8,349,443	34,497	8,383,940
38	343.2	Transmission & Distribution Mains > 10'	13,885,349	308,775	14,194,124
39	343.3	Subtotal	24,902,143		25,210,918
40					

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

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

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

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1		Transmission & Distribution Plant	24,902,143	308,775	25,210,918
2	344	Fire mains	0	0	0
3	345	Services	1,776,564	202,887	1,979,451
4	346.1	Meters - Bronze Case	990,537	174,227	1,164,764
5	346.2	Meters - Plastic Case	80,870	0	80,870
6	346.3	Meters - Not Class By Type	284,805	0	284,805
7	347	Meter Installation	2,362,425	130,594	2,493,019
8	348	Hydrants	2,269,156	78,563	2,347,719
9	349	Other Transmission & Distribution Plant	0	0	0
10		Subtotal	32,666,500	895,046	33,561,546
11		General Plant			
12	389	General Land & Land Rights	196,565	0	196,565
13	390	Stores Shops Equipment Structures	178,983	38,681	217,664
14	390.1	Office Structures	682,442	12,178	694,620
15	390	General Structures - HVAC	0	0	0
16	390.3	Miscellaneous Structures	921,985	0	921,985
17	391	Office Furniture and Equipment	302,418	468,526	770,944
18	391.2	Computers & Peripheral Equipment	171,214	57,851	229,065
19	391.25	Computer Software	86,203	44,915	131,118
20	391.26	Personal Computer Software	40,937	11,124	52,061
21	391.3	Other Office Equipment	216,281	1,016	217,297
22	392.11	Transportation Equipment - Light Trucks	387,945	37,846	425,791
23	392.12	Transportation Equipment - Heavy Trucks	82,175	36,416	118,591
24	392.2	Transportation Equipment - Cars	72,770	12,477	85,247
25	392.3	Transportation Equipment - Other	0	0	0
26	393	Stores Equipment	173,339	0	173,339
27	394	Tools, Shop, & Garage Equipment	639,581	8,182	647,763
28	395	Laboratory Equipment	334,199	0	334,199
29	396	Power Operated Equipment	232,611	0	232,611
30	397	Communication Equipment (non telephone)	105,960	1,885	107,845
31	397.2	Telephone Equipment	27,901	2,080	29,981
32	398	Miscellaneous Equipment	103,102	8,172	111,274
33	399	Other Tangible Property	0	0	0
34		Subtotal	4,956,611	741,349	5,697,960
35		Total Plant in Service	\$102,372,484	\$3,393,344	\$105,765,828
36					
37					
38					
39					
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Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: St. Joseph

Accumulated Depreciation and Amortization  
Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-5-SJO  
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	301	Organization	\$0	\$0	\$0
3	302	Franchise & Consents	0	0	0
4	303	Miscellaneous Intangible Plant Studies	0	107,619	107,619
5		Subtotal	0	107,619	107,619
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	14,139	(685)	13,454
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	(680,197)	180	(680,017)
11	313	Wells & Springs	(32,477)	356	(32,121)
12	314	Supply Mains	248,250	150,868	399,118
13	316	Subtotal	(450,284)	150,718	(299,566)
14		<u>Pumping Plant</u>			
15	320	Pumping Land & Land Rights	0	0	0
16	321	Pumping Structures & Improvements	(12,844)	91,816	78,972
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	230,747	164,245	394,992
21	326	Diesel Pumping Equipment	0	0	0
22	327	Pump Equip Hydraulic	0	0	0
23	328	Other Pumping Equipment	0	0	0
24		Subtotal	217,903	256,061	473,964
25		<u>Treatment Plant</u>			
26	330	Water Treatment Land & Land Rights	0	0	0
27	331	Water Treatment Structures & Improvements	1,677,544	687,279	2,364,823
28	332	Water Treatment Equipment	2,778,431	456,267	3,234,698
29	332.4	Water Treatment Equipment - Filter Plant	0	0	0
30		Subtotal	4,455,975	1,143,546	5,599,521
31		<u>Transmission &amp; Distribution Plant</u>			
32	340	Transmission & Distribution Land	(741,641)	0	(741,641)
33	341	Transmission & Distribution Structures & Improvements	3,842	7,105	10,947
34	342	Distribution Reservoirs & Standpipes	726,729	26,496	753,225
35	343	Transmission & Distribution Mains Conv	4,296,194	7,827	4,304,021
36	343.1	Transmission & Distribution Mains < 4"	0	5,501	5,501
37	343.2	Transmission & Distribution Mains 6" - 8"	0	103,063	103,063
38	343.3	Transmission & Distribution Mains > 10"	0	189,347	189,347
39		Subtotal	4,285,123	339,340	4,624,463
40					

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

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

**Case No. WR-2003-XXX**  
**Schedule CAS-5-SJO**  
**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>		4,285,123	339,340	4,624,463
2	344	Fire mains	0	0	0	0
3	345	Services	87,440	0	26,069	113,509
4	346.1	Meters - Bronze Case	0	0	36,817	36,817
5	346.2	Meters - Plastic Case	0	0	4,181	4,181
6	346.3	Meters - Not Class By Type	1,036,201	0	14,724	1,050,925
7	347	Meter Installation	550,802	0	39,236	590,038
8	348	Hydrants	762,169	0	57,122	819,291
9	349	Other Transmission & Distribution Plant	0	0	0	0
10		Subtotal		6,721,735	517,489	7,239,224
11		General Plant				
12		General Land & Land Rights	0	0	0	0
13	389	Stores Shops Equipment Structures	8,888	1,021	9,909	9,909
14	390	Office Structures	305,592	19,768	325,360	325,360
15	390.1	General Structures - HVAC	0	0	0	0
16	390.3	Miscellaneous Structures	76,312	21,720	98,032	98,032
17	391	Office Furniture and Equipment	456,656	5,196	461,852	461,852
18	391.2	Computers & Peripheral Equipment	0	141,075	141,075	141,075
19	391.25	Computer Software	0	105,628	105,628	105,628
20	391.26	Personal Computer Software	0	24,845	24,845	24,845
21	391.3	Other Office Equipment	0	20,387	20,387	20,387
22	392.11	Transportation Equipment - Light Trucks	0	60,927	60,927	60,927
23	392.12	Transportation Equipment - Heavy Trucks	0	5,775	5,775	5,775
24	392.2	Transportation Equipment - Cars	0	20,949	20,949	20,949
25	392.3	Stores Equipment	242,443	0	242,443	242,443
26	393	Tools, Shop, & Garage Equipment	14,903	1,398	16,301	16,301
27	394	Laboratory Equipment	101,523	30,595	132,117	132,117
28	395	Power Operated Equipment	5,530	13,541	19,071	19,071
29	396	Communication Equipment (non telephone)	56,738	10,811	67,549	67,549
30	397	Telephone Equipment	86,931	12,075	99,006	99,006
31	397.2	Miscellaneous Equipment	2,045	4,928	6,973	6,973
32	398	Other Tangible Property	16,627	4,076	20,703	20,703
33	399	Subtotal	0	504,715	1,878,902	1,878,902
34		Total Plant in Service		\$12,319,516	\$2,680,148	\$14,999,664
35						
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	959,427	359,851	1,319,278
5	252.71	Advances for Construction - Taxable Extensions	16,510	0	16,510
6		Total Customer Advances	<u>975,937</u>	<u>359,851</u>	<u>1,335,788</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	196,361	0	196,361
13	271.12	Contributions in Aid - NT Extension Deposit	801,910	0	801,910
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	11,256	0	11,256
17		Contributions in Aid - NT Other	31,630	0	31,630
18	271.71	Contributions in Aid - Taxable Mains	779,498	0	779,498
19	271.12	Contributions in Aid - Taxable Extension Deposit	1,109,619	0	1,109,619
20	271.27	Contributions in Aid - Taxable Services	20,405	0	20,405
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	(405,518)	(41,213)	(446,731)
24		Total Contributions in Aid of Construction	<u>2,545,161</u>	<u>(41,213)</u>	<u>2,503,948</u>
25					
26					
27					
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: St. Joseph

Working Capital  
 For the Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
 Schedule CAS-7-SJO  
 Page 1 of 1

Line #	Expense Category	Proforma Proposed Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
1							
2							
3	Base Payroll	1,236,860	3,389	38.18	10.23	27.95	94,713
4	Tax Withholding	587,686	1,610	38.18	17.39	20.79	33,474
5	Fuel and Power	585,808	1,605	38.18	37.22	0.96	1,541
6	Chemicals	309,425	848	38.18	38.18	0.00	0
7	Purchased Water	0	0	38.18	53.15	(14.97)	0
8	Service Company Charges	882,714	2,418	38.18	(4.13)	42.31	102,322
9	Group Insurance	330,068	904	38.18	(8.54)	46.72	42,249
10	OP&B's	132,095	362	38.18	(0.04)	38.22	13,832
11	Pensions	293,277	803	38.18	38.18	0.00	0
12	ESOP	15,199	42	38.18	38.18	0.00	0
13	Insurance Other than Group	144,348	395	38.18	38.18	0.00	0
14	Uncollectables	114,729	314	38.18	38.18	0.00	0
15	Rents	120,061	329	38.18	24.37	13.81	4,543
16	401(k)	209,472	574	38.18	48.80	(10.62)	(6,095)
17	Other O&M	1,108,349	3,037	38.18	20.67	17.51	53,170
18	Total O&M Expenses	6,070,091					339,749
19							
20							
21	Depreciation Amortization Expense	2,712,272	7,431	38.18	-	38.18	283,711
22	Property Taxes	1,054,511	2,889	38.18	182.50	(144.32)	(416,951)
23	Public Service Commission Fee	73,870	202	38.18	38.18	0.00	0
24	Franchise and Environment Tax	18,905	52	38.18	38.18	0.00	0
25	FICA Taxes	2,095	6	38.18	13.44	24.74	142
26	FUTA Taxes	133,123	365	38.18	62.05	(23.87)	(8,706)
27	SUTA Taxes	(38)	(0)	38.18	62.05	(23.87)	2
28	Federal Income Tax - Current	868,131	2,378	38.18	60.25	(22.07)	(52,492)
29	State Income Tax - Current	136,421	374	38.18	62.17	(23.99)	(8,966)
30	Deferred Income Taxes	597,159	1,636	38.18	0.00	38.18	62,464
31	Interest Expense	2,868,785	7,860	38.18	91.15	(52.97)	(416,328)
32	Preferred Dividends	40,866	112	38.18	45.63	(7.45)	(834)
33	Total Working Capital Requirement	14,576,191					(218,209)
34							
35	Total Cash and Working Capital Requirement Used						0
36							
37							
38							
39							
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: St. Joseph

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

Case No. WR-2003-XXX  
 Schedule CAS-8-SJO  
 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-SJO	\$17,497,809	(\$622,098)	\$16,875,711	\$2,206,317	\$19,082,028
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-SJO	5,200,226	645,194	5,845,420	15,166	5,860,586
10	Depreciation Expense	CAS-10-SJO	2,715,831	(162,452)	2,553,379		2,553,379
11	Amortization Expense	CAS-10-SJO	0	158,893	158,893		158,893
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-SJO	996,148	58,363	1,054,511		1,054,511
15	Payroll Taxes	CAS-10-SJO	122,313	12,867	135,180		135,180
16	PSC Fees	CAS-10-SJO	57,251	0	57,251	0	57,251
17	Other	CAS-10-SJO	18,374	17,150	35,524		35,524
18							
19	Utility Operating Income Before Income Taxes		8,387,666	(1,352,113)	7,035,553	2,191,151	9,226,704
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-SJO	318,789	549,342	868,131	726,922	1,595,053
23	State Income Tax	CAS-12-SJO	135,891	530	136,421	114,230	250,651
24	Deferred Income Taxes		532,341	77,045	609,386	0	609,386
25	Amortization of Investment Tax Credit		(12,227)		(12,227)		(12,227)
26							
27	Utility Operating Income		\$7,412,872	(\$1,979,030)	\$5,433,842	\$1,349,999	\$6,783,841
28							
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: St. Joseph

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

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

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	\$7,771,910	\$20,210	\$22,831	\$7,814,951	\$17,781	\$7,832,733
8	Commercial	3,048,981	52,392	7,698	3,109,071	146,529	3,255,600
9	Industrial	2,699,637	29,253	3,009	2,731,898		2,731,898
10	Other Public Authority	671,937	(13,671)	1,863	660,129		660,129
11	Sales for Resale	2,961,146	1,612	(908,184)	2,054,575		2,054,575
12	Miscellaneous	4,285	0	(12)	4,273		4,273
13							
14	Total Metered Sales	17,157,897	89,795	(872,795)	16,374,898	164,310	0 16,539,208
15							
16							
17	Sewer Service	0	0	0	0	0	0
18							
19	Fire Service						
20	Private Fire Service	159,076		(3,409)	155,667	0	155,667
21							
22	Total Fire Service	159,076	0	(3,409)	155,667	0	155,667
23							
24	Total Sales of Water	17,316,973	89,795	(876,203)	16,530,565	164,310	0 16,694,875
25							
26	Other Operating Revenues						
27	Reconnect Charges	32,661			32,661		32,661
28	Returned Check Charge	6,931			6,931		6,931
29	Application Fee	141,480			141,480		141,480
30	Miscellaneous Other Revenue	(1,364)			(1,364)		(1,364)
31	Rents from Water Property	1,128			1,128		1,128
32							
33	Total Other Operating Revenues	180,837	0	0	180,837	0	0 180,837
34							
35							
36	Total Operating Revenues	\$17,497,810	\$89,795	(\$876,203)	\$16,711,402	\$164,310	\$0 \$16,875,712
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: St. Joseph**

**Case No. WR-2003-XXX**  
**Schedule CAS-10-SJO**  
**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-SJO 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-SJO	\$1,616,854	\$207,692	\$1,824,546
Purchased Water	CAS-11-SJO	0	0	0
Fuel and Power	CAS-11-SJO	549,796	36,012	585,808
Chemicals	CAS-11-SJO	694,777	(385,352)	309,425
Waste Disposal	CAS-11-SJO	42,436	57,648	100,084
Management Fees	CAS-11-SJO	536,694	346,020	882,714
Group Insurance	CAS-11-SJO	462,163	1,132	463,295
Pensions	CAS-11-SJO	108,288	184,989	293,277
Regulatory Expense	CAS-11-SJO	38,437	(18,975)	19,462
Insurance, Other than Group	CAS-11-SJO	178,187	(33,839)	144,348
Customer Accounting	CAS-11-SJO	211,604	(11,954)	199,650
Rents	CAS-11-SJO	39,230	80,831	120,061
General Office Expense	CAS-11-SJO	88,144	(9,205)	78,939
Miscellaneous	CAS-11-SJO	477,636	46,365	524,001
Maintenance - Other	CAS-11-SJO	155,980	143,830	299,810
Total Operations and Maintenance		<u>5,200,226</u>	<u>645,194</u>	<u>5,845,420</u>
Depreciation	CAS-11-SJO	2,715,831	(162,452)	2,553,379
Amortization	CAS-11-SJO	0	158,893	158,893
Total Depreciation and Amortization		<u>2,715,831</u>	<u>(3,559)</u>	<u>2,712,272</u>
Property Taxes	CAS-11-SJO	996,148	58,363	1,054,511
Payroll Taxes	CAS-11-SJO	122,313	12,867	135,180
PSC Fees	CAS-11-SJO	57,251	0	57,251
Other General Taxes	CAS-11-SJO	18,374	17,150	35,524
Total Taxes Other Than Income Taxes		<u>1,194,086</u>	<u>88,380</u>	<u>1,282,466</u>

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: St. Joseph

Line  
No.

[illegible]

Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: St. Joseph

Line  
No.[illegible]

## Overall Revenue Requirement Summary

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

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**Division: St. Joseph**

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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		\$7,035,563	\$7,035,553	\$9,226,704	\$9,226,704
Interest Expense Deduction		2,868,829	2,868,829	2,868,829	2,868,829
Taxable Income		4,166,724	4,166,724	6,357,875	6,357,875
Addback (Deducts):					
Tax over Book Depreciation	(1,555,000)		(1,555,000)	(1,555,000)	(1,555,000)
Non-deductible Meals	4,981		4,981	4,981	4,981
Amortization Preferred Stock Expense	90		90	90	90
Non-deductible Reserve Deficiency	0		0	0	0
Total Addbacks (Deducts)	(1,549,929)		(1,549,929)	(1,549,929)	(1,549,929)
Taxable Income		2,616,795	2,616,795	4,807,946	4,807,946
Effective Tax Rate (1)		33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates		868,131	136,421	1,595,053	250,651
Per Books Amount / Present Rates		318,789	135,891	868,131	136,421
Proforma adjustment		\$549,342	\$530	\$726,922	\$114,230

(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: St. Joseph**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-SJO**  
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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	1,852,514	\$7,827,381	1,852,514	\$8,713,010	\$885,629	11.31%
5	Commercial	1,016,833	3,256,385	1,016,833	3,449,209	192,824	5.92%
6	Industrial	1,021,077	2,731,898	1,021,077	2,654,619	(77,279)	-2.83%
7	Other Public Authority	234,683	660,129	234,683	752,513	92,384	13.99%
8	Other Water Utilities	704,559	2,054,575	704,559	1,866,583	(187,992)	-9.15%
9	Miscellaneous	1,541	4,273	1,541	4,273	0	0.00%
10	Private Fire	0	155,667	0	155,667	0	0.00%
11	Public Fire	0	0	0	845,606	845,606	0.00%
12	Total	<u>4,831,207</u>	<u>16,690,308</u>	<u>4,831,207</u>	<u>18,441,480</u>	<u>\$1,751,172</u>	<u>10.49%</u>
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		32,661		32,661	0	0.00%
18	Returned Check Charge		6,931		6,931	0	0.00%
19	Application Fee		141,480		141,480	0	0.00%
20	Miscellaneous Other Revenue		(1,364)		(1,364)	0	0.00%
21	Rents from Water Property		1,128		1,128	0	0.00%
22							
23							
24			<u>\$16,871,145</u>		<u>\$18,622,317</u>	<u>1,751,172</u>	<u>10.38%</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**

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

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

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

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Schedule CAS-14-SJO  
Page 3 of 7

[illegible]

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

Case No. WR-2003-XXXX  
Schedule CAS-14-SJO  
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: St. Joseph**

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Schedule CAS-14-SJO  
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**12 Month Test Period Ended December 31, 2002**

Case No. WR-2003-XXX  
Schedule CAS-14-SJO  
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: St. Joseph**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-SJO**  
**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	63	\$459.96	\$28,977	459.96	\$28,977	\$0	0.00%
5								
6	2"	4	66.00	264	66.00	264	0	0.00%
7								
8	3"	1	113.28	113	113.28	113	0	0.00%
9								
10	4"	61	179.76	10,965	179.76	10,965	0	0.00%
11								
12	6"	121	368.64	44,605	368.64	44,605	0	0.00%
13								
14	8"	77	634.20	48,833	634.20	48,833	0	0.00%
15								
16	10"	10	974.88	9,749	974.88	9,749	0	0.00%
17								
18	12"	8	1,390.08	11,121	1,390.08	11,121	0	0.00%
19								
20	FAL's and Credits			1,040		1,040	0	0.00%
21								
22	Total	345		\$155,667		\$155,667	\$0	0.00%
23								
24								
25								
26	<b>Public Fire Protection:</b>							
27								
28	Public Fire Hydrants	2,888	0.00	0	292.80	845,606	845,606	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-STL	\$309,427,796
7			
8	Operating Income at Present Rates	CAS-8-STL	16,719,904
9			
10	Earned Rate of return		5.40%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		25,682,507
15			
16	Operating Income Deficiency		8,962,603
17			
18	Gross Revenue Conversion Factor		1.63502
19			
20	Revenue Deficiency		14,654,035
21			
22	Adjusted Operating Revenues	CAS-8-STL	117,561,461
23			
24	Total Revenue Requirement		\$132,215,496
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		
30	Revenue		\$1,000,000
31	Uncollectibles		0.73060%
32	PSC Assessment		7.306
33	Before Tax Amount		0.00000%
34	State Income Taxes		992,694
35	Federal Income Taxes		51,752
36	Total Taxes and Expenses		329,330
37	Net Amount		33.17536%
38			388,388
39	Conversion Factor		\$611,612
40			1.63502

Rate Base Summary  
 Test Year Ended December 31, 2002

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-STL	\$620,777,338	\$28,348,755	\$649,126,093
6					
7	Accumulated Provision for Depreciation	CAS-5-STL	(189,388,413)	(12,616,514)	(202,004,927)
8					
9	Accumulated Amortization	W/Ps	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/Ps	6,633,337	711,656	7,344,993
12					
13	Net Utility Plant		<u>438,022,262</u>	<u>16,443,897</u>	<u>454,466,159</u>
14					
15					
16	Less:				
17	Customer Advances	CAS-6-STL	47,815,792	4,130,370	51,946,162
18	Contributions in Aid of Construction	CAS-6-STL	70,182,659	(587,022)	69,595,637
19	Accumulated Deferred ITC (3%)	W/Ps	0	0	0
20	Deferred Income Taxes	W/Ps	29,051,437	462,651	29,514,088
21	Pension Liability	W/Ps	3,599,204	3,492,409	7,091,613
22					
23					
24	Subtotal		<u>150,649,092</u>	<u>7,498,408</u>	<u>158,147,500</u>
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-STL	7,313,000	0	7,313,000
29	Materials and Supplies	W/Ps	2,295,953	0	2,295,953
30	Prepayments	W/Ps	390,340	0	390,340
31	OP&B's Contributed to External Fund	W/Ps	0	0	0
32	Premature Retirement	W/Ps	0	0	0
33	Regulatory Deferrals	W/Ps	2,547,179	562,665	3,109,844
34					
35	Subtotal		<u>12,546,472</u>	<u>562,665</u>	<u>13,109,137</u>
36					
37	Total Original Cost Rate Base		<u>\$299,919,642</u>	<u>\$9,508,153</u>	<u>\$309,427,796</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	\$80,332	\$383,827	\$464,159
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	214,377	214,377
5	303	Subtotal	80,332	598,204	678,536
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	62,283	0	62,283
8	310	Structures & Improvements	5,854,795	18,420	5,873,215
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	0	0	0
12	314	Supply Mains	5,851,713	0	5,851,713
13	316	Subtotal	11,768,791	18,420	11,787,211
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	284,588	0	284,588
16	320	Pumping Structures & Improvements	7,691,685	109,597	7,801,282
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	272,155	0	272,155
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	27,724,557	0	27,724,557
21	325	Diesel Pumping Equipment	1,585,789	0	1,585,789
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	0	0	0
24	328	Subtotal	37,558,774	109,597	37,668,371
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	1,279,228	0	1,279,228
27	330	Water Treatment Structures & Improvements	38,350,904	126,175	38,477,079
28	331	Water Treatment Equipment	40,942,524	2,989,007	43,931,531
29	332	Water Treatment Equipment - Filter Plant	25,610	0	25,610
30	332.4	Subtotal	80,598,266	3,115,182	83,713,448
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	3,983,700	23,946	4,007,646
33	340	Transmission Reservoirs & Standpipes	4,915,192	0	4,915,192
34	341	Transmission & Distribution Mains Conv	11,958,770	206,300	12,165,070
35	342	Transmission & Distribution Mains < 4"	0	0	0
36	343	Transmission & Distribution Mains 6" - 8"	1,259,101	0	1,259,101
37	343.1	Transmission & Distribution Mains > 10"	227,684,153	12,557,568	240,241,721
38	343.2	Subtotal	154,969,588	2,628,639	157,598,227
39	343.3	Subtotal	404,770,504	15,416,453	420,186,957
40					

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

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

Case No. WR-2003-XXX  
Schedule CAS-4-STL  
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		404,770,504	15,416,453	420,186,957
2	344	Fire mains		0	0	0
3	345	Services		69,873	0	69,873
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		18,286,700	944,240	19,230,940
7	347	Meter Installation		8,424,778	410,908	8,835,686
8	348	Hydrants		31,786,721	781,605	32,568,326
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		463,338,576	17,553,206	480,891,782
11		General Plant				
12		General Land & Land Rights		0	0	0
13	389	Stores Shops Equipment Structures		191,790	0	191,790
14	390	Office Structures		785,694	128,592	914,286
15	390.1	General Structures - HVAC		0	0	0
16	390	Miscellaneous Structures		1,180,834	0	1,180,834
17	391	Office Furniture and Equipment		7,419,840	191,914	7,611,754
18	391.2	Computers & Peripheral Equipment		4,011,368	5,465,961	9,477,329
19	391.25	Computer Software		52,766	474,284	527,050
20	391.26	Personal Computer Software		0	117,461	117,461
21	391.3	Other Office Equipment		157,149	10,731	167,880
22	392.11	Transportation Equipment - Light Trucks		0	66,653	66,653
23	392.12	Transportation Equipment - Heavy Trucks		5,602,171	0	5,602,171
24	392.2	Transportation Equipment - Cars		444,566	131,751	576,317
25	392.3	Transportation Equipment - Other		0	0	0
26	393	Stores Equipment		118,221	0	118,221
27	394	Tools, Shop, & Garage Equipment		4,390,317	271,470	4,661,787
28	395	Laboratory Equipment		1,245,979	41,997	1,287,976
29	396	Power Operated Equipment		609,148	0	609,148
30	397	Communication Equipment (non telephone)		905,192	12,232	917,424
31	397.2	Telephone Equipment		0	21,961	21,961
32	398	Miscellaneous Equipment		281,102	19,139	300,241
33	399	Other Tangible Property		36,462	0	36,462
34		Subtotal		27,432,599	6,954,146	34,386,745
35		Total Plant in Service		\$620,777,338	\$28,348,755	\$649,126,093

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

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

**Case No. WR-2003-XXX**  
**Schedule CAS-5-STL**  
**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	(\$6,721)	\$0	(\$6,721)
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	0	0
5	303	Subtotal	(6,721)	0	(6,721)
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	2,139,900	170,446	2,310,346
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	0	0	0
12	314	Supply Mains	2,550,113	148,281	2,698,394
13	316	Subtotal	4,690,013	318,727	5,008,740
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	2,753,057	214,820	2,967,877
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	5,541	0	5,541
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	12,318,014	758,112	13,076,126
21	325	Diesel Pumping Equipment	1,002,917	45,595	1,048,512
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	12,190	0	12,190
24	328	Subtotal	16,091,719	1,018,527	17,110,246
25		<u>Treatment Plant</u>			
26		Water Treatment Land & land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	16,961,911	1,156,888	18,118,799
28	331	Water Treatment Equipment	17,973,383	1,121,035	19,094,418
29	332	Water Treatment Equipment - Filter Plant	0	749	749
30	332.4	Subtotal	34,935,294	2,278,672	37,213,966
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	0	(2,381)	(2,381)
33	340	Transmission Reservoirs & Standpipes	2,167,666	131,447	2,299,113
34	341	Transmission & Distribution Mains Conv	4,630,080	253,533	4,883,613
35	342	Transmission & Distribution Mains < 4"	0	0	0
36	343	Transmission & Distribution Mains 6" - 8"	972,009	30,502	1,002,511
37	343.1	Transmission & Distribution Mains > 10"	65,119,096	4,016,863	69,135,959
38	343.2	Subtotal	31,024,892	2,300,944	33,325,836
39	343.3	Subtotal	103,913,743	6,730,908	110,644,651
40					

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

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

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

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1		<b>Transmission &amp; Distribution Plant</b>		103,913,743	6,730,908	110,644,651
2	344	Fire mains		0	0	0
3	345	Services		62,461	1,339	63,800
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		6,268,498	448,330	6,716,828
7	347	Meter Installation		4,374,849	244,606	4,619,455
8	348	Hydrants		11,118,464	548,713	11,667,177
9	349	Other Transmission & Distribution Plant		0	0	0
10		<b>Subtotal</b>		<u>125,738,015</u>	<u>7,973,896</u>	<u>133,711,911</u>
11		<b>General Plant</b>				
12	389	General Land & Land Rights		0	0	0
13	390	Stores Shops Equipment Structures		(1,127)	3,516	2,389
14	390.1	Office Structures		372,509	116,831	489,340
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		131,656	27,386	159,042
17	391	Office Furniture and Equipment		852,795	279,889	1,132,684
18	391.2	Computers & Peripheral Equipment		219,231	(283,298)	(64,067)
19	391.25	Computer Software		2,417	4,431	6,848
20	391.26	Personal Computer Software		0	0	0
21	391.3	Other Office Equipment		28,528	7,822	36,350
22	392.11	Transportation Equipment - Light Trucks		671,511	0	671,511
23	392.12	Transportation Equipment - Heavy Trucks		2,116,183	481,180	2,597,363
24	392.2	Transportation Equipment - Cars		588,639	64,021	652,660
25	392.3	Transportation Equipment - Other		0	0	0
26	393	Stores Equipment		(313,639)	3,663	(309,976)
27	394	Tools, Shop, & Garage Equipment		1,986,605	160,096	2,146,701
28	395	Laboratory Equipment		645,764	58,322	704,086
29	396	Power Operated Equipment		201,437	46,346	247,783
30	397	Communication Equipment (non telephone)		363,958	45,613	409,571
31	397.2	Telephone Equipment		400	0	400
32	398	Miscellaneous Equipment		27,642	8,996	36,638
33	399	Other Tangible Property		45,584	1,878	47,462
34		<b>Subtotal</b>		<u>7,940,093</u>	<u>1,026,692</u>	<u>8,966,785</u>
35		<b>Total Plant in Service</b>		<u>\$189,388,413</u>	<u>\$12,616,514</u>	<u>\$202,004,927</u>

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	23,999,139	4,130,370	28,129,509
5	252.71	Advances for Construction - Taxable Extensions	23,816,653	0	23,816,653
6		Total Customer Advances	<u>47,815,792</u>	<u>4,130,370</u>	<u>51,946,162</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	76,075,711	825,000	76,900,711
13	271.12	Contributions in Aid - NT Extension Deposit	0	0	0
14	271.21	Contributions in Aid - NT Services	352	0	352
15	271.30	Contributions in Aid - NT Meters	3,513,926	0	3,513,926
16		Contributions in Aid - NT Hydrants	2,045,881	0	2,045,881
17		Contributions in Aid - NT Other	1,264,437	0	1,264,437
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	(12,717,648)	(1,412,022)	(14,129,670)
24		Total Contributions in Aid of Construction	<u>70,182,659</u>	<u>(587,022)</u>	<u>69,595,637</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	13,141,091	36,003	62,0870	8.21	53.88	1,939,690
4	Tax Withholding	6,243,908	17,107	62,0870	13.47	48.62	831,656
5	Fuel and Power	6,137,763	16,816	62,0870	35.47	26.61	447,547
6	Chemicals	4,003,191	10,968	62,0870	62.09	0.00	0
7	Purchased Water	206,302	565	62,0870	62.09	0.00	0
8	Service Company Charges	9,321,108	25,537	62,0870	45.60	16.49	421,064
9	Group Insurance	1,783,940	4,888	62,0870	(8.54)	70.63	345,190
10	OP&B's	1,065,382	2,919	62,0870	(0.04)	62.13	181,340
11	Pensions	3,195,807	8,756	62,0870	45.00	17.09	149,613
12	ESOP	145,993	400	62,0870	45.00	17.09	6,835
13	Insurance Other than Group	1,955,820	5,358	62,0870	45.00	17.09	91,562
14	Uncollectables	848,564	2,325	62,0870	62.09	0.00	0
15	Rents	1,013,562	2,777	62,0870	(14.21)	76.30	211,863
16	401(k)	2,675,415	7,330	62,0870	45.00	17.09	125,250
17	Other O&M	16,016,535	43,881	62,0870	26.10	35.99	1,579,143
18	Total O&M Expenses	67,754,380					6,330,753
19							
20							
21	Depreciation Amortization Expense	21,108,234	57,831	62,0870	0.00	62.09	3,590,540
22	Property Taxes	7,405,245	20,288	62,0870	182.50	(120.41)	(2,442,980)
23	Public Service Commission Fee	514,755	1,410	62,0870	(30.00)	92.09	129,869
24	Franchise and Environment Tax	199,623	547	62,0870	(77.50)	139.59	76,342
25	FICA Taxes	22,711	62	62,0870	13.31	48.78	3,035
26	FUTA Taxes	1,420,772	3,893	62,0870	76.38	(14.29)	(55,616)
27	SUTA Taxes	(7)	(0)	62,0870	76.38	(14.29)	0
28	Federal Income Tax - Current	1,834,325	5,026	62,0870	60.25	1.84	9,232
29	State Income Tax - Current	288,251	790	62,0870	62.17	(0.08)	(66)
30	Deferred Income Taxes	3,114,675	8,533	62,0870	0.00	62.09	529,811
31	Interest Expense	10,860,357	29,754	62,0870	91.15	(29.06)	(864,752)
32	Preferred Dividends	154,706	424	62,0870	45.63	16.46	6,975
33	Total Working Capital Requirement	114,678,027					7,313,143
34							
35							
36	Total Cash and Working Capital Requirement Used						7,313,000
37							
38							
39							
40							



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

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

Case No. WR-2003-XXX  
Schedule CAS-8-STL  
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-STL	\$115,918,259	\$1,643,202	\$117,561,461	\$14,654,035	\$132,215,496
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-STL	56,814,845	8,118,128	64,932,973	107,062	65,040,035
10	Depreciation Expense	CAS-10-STL	18,344,212	2,764,022	21,108,234		21,108,234
11	Amortization Expense	CAS-10-STL	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-STL	6,222,053	1,183,192	7,405,245		7,405,245
15	Payroll Taxes	CAS-10-STL	1,383,463	60,013	1,443,476		1,443,476
16	PSC Fees	CAS-10-STL	604,549	0	604,549	0	604,549
17	Other	CAS-10-STL	194,020	(84,191)	109,829		109,829
18							
19	Utility Operating Income Before Income Taxes		32,355,117	(10,397,962)	21,957,155	14,546,973	36,504,128
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-STL	2,276,243	(441,918)	1,834,325	4,826,010	6,660,335
23	State Income Tax	CAS-12-STL	970,293	(682,042)	288,251	758,373	1,046,624
24	Deferred Income Taxes		8,276,665	(5,032,790)	3,243,865	0	3,243,865
25	Amortization of Investment Tax Credit		(129,190)		(129,190)		(129,190)
26							
27	Utility Operating Income		\$20,961,116	(\$4,241,213)	\$16,719,904	\$8,962,590	\$25,682,494
28							
29							
30							
31							
32							
33							
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Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: St. Louis

Case No. WIR-2003-XXX  
 Schedule CAS-9-STL  
 Page 1 of 1

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

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	Rate A	\$97,475,790	(\$636,954)	(\$184,690)	\$96,654,146	\$1,711,039	\$98,365,185
8	Rate B	2,136,127	19,616	(341)	2,155,743	(173,910)	1,981,833
9	Rate D	270,757		(254,667)	270,416	(86,991)	183,425
10	Rate H	272,491		(35,488)	17,824	900,987	900,987
11	Rate J	7,083,155	21,684	(212)	7,069,350	883,163	7,069,350
12	Rate K	479,964			479,752		479,752
13	Miscellaneous	(264,579)		264,579	0		0
14	Total Metered Sales	107,453,705	(\$595,654)	(210,819)	106,647,232	1,711,039	622,262 108,980,533
15							
16							
17	Sewer Service	0	0	0	0	0	0
18							
19	Fire Service						
20	Private Fire Service	7,046,427		116,374	7,162,801		7,162,801
21							
22	Total Fire Service	7,046,427	0	116,374	7,162,801	0	7,162,801
23							
24	Total Sales of Water	114,500,133	(\$595,654)	(94,445)	113,810,034	1,711,039	622,262 116,143,335
25							
26	Other Operating Revenues						
27	Reconnect Charges	43,661			43,661		43,661
28	Returned Check Charge	28,212			28,212		28,212
29	Application Fee	142,440			142,440		142,440
30	Miscellaneous Other Revenue	767,483			767,483		767,483
31	Rents from Water Property	284,236			284,236		284,236
32	Miscellaneous Sales Unmetered	152,095			152,095		152,095
33	Total Other Operating Revenues	1,418,127	0	0	1,418,127	0	1,418,127
34							
35							
36	Total Operating Revenues	\$115,918,259	(\$595,654)	(\$94,445)	\$115,228,160	\$1,711,039	\$622,262 \$117,561,461
37							
38							
39							
40							

## Missouri-American Water Company

**Summary of Operations and Maintenance Expenses and General Taxes**  
**For the Test Year Ended December 31, 2002**

**Case No. WR-2003-XXX**  
**Schedule CAS-10-STL**  
**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-STL which provides additional detail and support.

Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
Labor	CAS-11-STL	\$18,039,116	\$1,345,881	\$19,384,997
Purchased Water	CAS-11-STL	6,302	200,000	206,302
Fuel and Power	CAS-11-STL	6,059,149	78,615	6,137,764
Chemicals	CAS-11-STL	3,982,747	20,444	4,003,191
Waste Disposal	CAS-11-STL	452,113	(44,377)	407,736
Management Fees	CAS-11-STL	8,673,213	647,895	9,321,108
Group Insurance	CAS-11-STL	2,849,322	1,709,695	4,559,017
Pensions	CAS-11-STL	909,122	2,286,685	3,195,807
Regulatory Expense	CAS-11-STL	405,885	(200,367)	205,518
Insurance, Other than Group	CAS-11-STL	2,046,250	(90,430)	1,955,820
Customer Accounting	CAS-11-STL	1,858,338	(171,032)	1,687,306
Rents	CAS-11-STL	552,761	460,801	1,013,562
General Office Expense	CAS-11-STL	904,377	67,391	971,768
Miscellaneous	CAS-11-STL	5,116,082	198,526	5,314,608
Maintenance - Other	CAS-11-STL	4,960,068	1,608,402	6,568,470
Total Operations and Maintenance		56,814,845	8,118,128	64,932,973
Depreciation	CAS-11-STL	18,344,212	2,764,022	21,108,234
Amortization	CAS-11-STL	0	0	0
Total Depreciation and Amortization		18,344,212	2,764,022	21,108,234
Property Taxes	CAS-11-STL	6,222,053	1,183,192	7,405,245
Payroll Taxes	CAS-11-STL	1,383,463	60,013	1,443,476
PSC Fees	CAS-11-STL	604,549	0	604,549
Other General Taxes	CAS-11-STL	194,020	(84,191)	109,829
Total Taxes Other Than Income Taxes		8,404,085	1,159,014	9,563,099

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

Line  
No.[illegible]

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

Line  
No.[illegible]

## Overall Revenue Requirement Summary

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

Case No. WR-2003-XXX  
Schedule CAS-11-STL  
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Missouri Public Service Commission  
Company: Missouri-American Water Company  
Division: St. Louis

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No.[illegible]

**Proforma State and Federal Income Taxes at Present and Proposed Rates**  
**For the Test Year Ended December 31, 2002**

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

**Case No. WR-2003-XXX**  
**Schedule CAS-12-STL**  
**Page 1 of 1**

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	\$21,957,155	\$21,957,155	\$36,504,128	\$36,504,128
Interest Expense Deduction	10,860,916	10,860,916	10,860,916	10,860,916
Taxable Income	11,096,239	11,096,239	25,643,212	25,643,212
Addback (Deducts):				
Tax over Book Depreciation	(8,103,778)	(8,103,778)	(8,103,778)	(8,103,778)
Non-deductible Meals	52,600	52,600	52,600	52,600
Amortization Preferred Stock Expense	955	955	955	955
Non-deductible Reserve Deficiency	2,483,162	2,483,162	2,483,162	2,483,162
Total Addbacks (Deducts)	(5,567,061)	(5,567,061)	(5,567,061)	(5,567,061)
Taxable Income	5,529,178	5,529,178	20,076,151	20,076,151
Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates	1,834,325	288,251	6,660,335	1,046,624
Per Books Amount / Present Rates	2,276,243	970,293	1,834,325	288,251
Proforma adjustment	(\$441,918)	(\$682,042)	\$4,826,010	\$758,373

(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: St. Louis**

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

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates		Dollar Change	Percentage Change
		Sales (CCF)	Total Revenue	Sales (CCF)	Total Revenue		
1							
2							
3							
4	Rate A	56,016,528	\$98,367,499	56,016,528	\$109,991,326	\$11,623,827	11.82%
5	Rate B	2,451,853	1,981,833	2,451,853	2,235,354	253,521	12.79%
6	Rate D	241,598	183,425	241,598	197,010	13,585	7.41%
7	Rate F and E	60,059	7,154,925	60,059	9,932,314	2,777,389	38.82%
8	Rate H	377,167	900,987	377,167	900,987	0	0.00%
9	Rate J	9,441,890	7,069,350	9,441,890	7,878,415	809,065	11.44%
10	Rate K	223,555	480,283	223,555	530,283	50,000	10.41%
11							
12	Total	<u>68,812,650</u>	<u>116,138,302</u>	<u>68,812,650</u>	<u>131,665,689</u>	<u>\$15,527,387</u>	<u>13.37%</u>
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		43,661		43,661	0	0.00%
18	Returned Check Charge		28,212		28,212	0	0.00%
19	Application Fee		142,440		142,440	0	0.00%
20	Miscellaneous Other Revenue		767,483		767,483	0	0.00%
21	Rents from Water Property		284,237		284,237	0	0.00%
22	Miscellaneous Sales Unmetered		152,095		152,095	0	0.00%
23							
24			<u>\$117,556,430</u>		<u>\$133,083,817</u>	<u>15,527,387</u>	<u>13.21%</u>
25							
26							
27							
28							
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40							

## 12 Month Test Period Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-14-STL  
Page 1 of 8

Line #	Class/Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue		
1	Rate A:										
2	Minimum Charge:			12,925.487							
3	Monthly										
4	5/8"	73		\$6.15	\$449	73		\$8.50	\$621	\$172	38.31%
5	3/4"	190		6.87	1,305	190		8.70	1,653	348	26.67%
6	1"	434		8.31	3,607	434		9.70	4,210	603	16.72%
7	1-1/2"	831		11.90	9,889	831		14.00	11,634	1,745	17.65%
8	2"	2,642		16.20	42,800	2,642		16.20	42,800	0	0.00%
9	3"	801		27.68	22,172	801		56.00	44,856	22,684	102.31%
10	4"	526		40.59	21,350	526		110.00	57,860	36,510	171.01%
11	6"	293		76.48	22,409	293		201.00	58,893	36,484	162.81%
12	8"	71		119.54	8,487	71		261.00	18,531	10,044	118.35%
13	10"	47		176.96	8,317	47		380.00	17,860	9,543	114.74%
14	12"	0		234.36	0	0		532.00	0	0	0.00%
15	Quarterly										
16	5/8"	1,219,425		9.01	10,987,019	1,219,425		12.20	14,876,985	3,889,966	35.41%
17	3/4"	70,880		11.17	791,730	70,880		13.00	921,440	129,710	16.38%
18	1"	17,628		15.48	272,881	17,628		16.00	282,048	9,167	3.36%
19	1-1/2"	5,917		26.24	155,262	5,917		28.70	169,818	14,556	9.38%
20	2"	8,345		39.15	326,707	8,345		35.30	294,579	(32,128)	-9.83%
21	3"	532		73.61	39,161	532		153.00	81,396	42,235	107.85%
22	4"	236		112.36	26,517	236		318.00	75,048	48,531	183.02%
23	6"	227		220.01	49,942	227		588.00	133,476	83,534	167.26%
24	8"	276		349.19	96,376	276		769.00	212,244	115,868	120.22%
25	10"	75		521.42	39,107	75		1,126.00	84,450	45,343	115.95%
26	12"	0		693.66	0	0		1,582.00	0	0	0.00%
27	Volume										
28	Monthly All Water		3,658,591	1,525,300	5,580,449		3,658,591	1,653,100	6,048,017	467,568	8.38%
29	Quarterly All Water		52,357,938	1,525,300	79,861,563		52,357,938	1,653,100	86,552,907	6,691,344	8.38%
30	Monthly Fixed Chg and Cr		0		0		0		0	0	0.00%
31	Quarterly Fixed Chg and Cr		(1)		0		(1)		0	0	0.00%
32	Total		56,016,528		\$98,367,499		56,016,528		\$109,991,326	\$11,623,827	11.82%

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

**Case No. WR-2003-XXX  
Schedule CAS-14-STL  
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**Missouri Public Service Commission  
Company: Missouri-American Water Company  
District: St. Louis**

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

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Schedule CAS-14-STL  
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**12 Month Test Period Ended December 31, 2002**

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Schedule CAS-14-STL  
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**12 Month Test Period Ended December 31, 2002**

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**Schedule CAS-14-STL**  
**Page 6 of 8**

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

**Case No. WR-2003-XXX  
Schedule CAS-14-STL  
Page 7 of 8**

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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: St. Louis**

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

Line #	Class/ Description	Present Pro Forma Rates			Proposed Pro Forma Rates			Dollar Change	Percentage Change
		Customer Meter Billings	Sales (CCF)	Current Rate	Total Revenue	Customer Meter Billings	Sales (CCF)	Proposed Rate	Total Revenue
1	<b>Rate K:</b>								
2	Minimum Charge:								
3	Monthly								
4	5/8"	7		\$6.15	\$43	7		\$8.50	\$60
5	3/4"	38		6.87	261	38		8.70	331
6	1"	0		8.31	0	0		9.70	0
7	1-1/2"	0		11.90	0	0		14.00	0
8	2"	0		16.20	0	0		16.20	0
9	3"	0		27.68	0	0		56.00	0
10	4"	0		40.59	0	0		110.00	0
11	6"	0		76.48	0	0		201.00	0
12	8"	0		119.54	0	0		261.00	0
13	10"	0		176.96	0	0		380.00	0
14	12"	0		234.36	0	0		532.00	0
15									
16									
17	<b>Quarterly</b>								
18	5/8"	1,446		19.10	27,619	1,446		12.20	17,641
19	3/4"	1,200		21.26	25,512	1,200		13.00	15,600
20	1"	222		25.57	5,677	222		16.00	3,552
21	1-1/2"	27		36.33	981	27		28.70	775
22	2"	340		49.24	16,742	340		35.30	12,002
23	3"	32		83.70	2,678	32		153.00	4,896
24	4"	22		122.45	2,694	22		318.00	6,996
25	6"	44		230.10	10,124	44		588.00	25,872
26	8"	51		359.28	18,323	51		769.00	39,219
27	10"	30		531.51	15,945	30		1,126.00	33,780
28	12"	0		703.75	0	0		1,582.00	0
29									
30									
31	<b>Volumetric Charges:</b>								
32	Monthly-First 1500 Gallons	59		0.000000	0	59		1.653100	98
33	Monthly > 1500 Gallons	695		1.681000	1,168	695		1.653100	1,149
34	Quarterly-First 4500 Gallons	13,095		0.000000	0	13,095		1.653100	21,647
35	Quarterly > 4500 Gallons	209,706		1.681000	352,516	209,706		1.653100	346,665
36	Monthly Fixed Chg and Cr	0			0	0			0
37	Quarterly Fixed Chg and Cr	0			0	0			0
38	<b>Total</b>								
39					<u>223,555</u>				<u>530,283</u>
40								<u>\$50,000</u>	<u>10.41%</u>

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

Line No.	Description	Schedule	Amount
1			
2			
3			
4	Rate Base	CAS-3-WAR	\$9,486,447
5			
6	Operating Income at Present Rates	CAS-8-WAR	636,593
7			
8			
9	Earned Rate of return		6.71%
10			
11	Requested Rate of Return	Grubb Testimony	8.30%
12			
13	Required Operating Income		787,375
14			
15	Operating Income Deficiency		150,782
16			
17	Gross Revenue Conversion Factor		1.64022
18			
19	Revenue Deficiency		247,315
20			
21	Adjusted Operating Revenues	CAS-8-WAR	2,473,801
22			
23	Total Revenue Requirement		\$2,721,116
24			
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		\$1,000,000
30	Revenue		10,452
31	Uncollectibles		0.00000%
32	PSC Assessment		989,548
33	Before Tax Amount		51,588
34	State Income Taxes		328,286
35	Federal Income Taxes		390,326
36	Total Taxes and Expenses		\$609,674
37	Net Amount		
38			
39	Conversion Factor		1.64022
40			

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

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

**Case No. WR-2003-XXX**  
**Schedule CAS-3-WAR**  
**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-WAR	15,159,102	809,493	15,968,595
6					
7	Accumulated Provision for Depreciation	CAS-5-WAR	(2,618,119)	(370,376)	(2,988,495)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	15,309	15,309
12					
13	Net Utility Plant		12,540,983	454,426	12,995,409
14					
15					
16	Less:				
17	Customer Advances	CAS-6-WAR	430,991	254,398	685,389
18	Contributions in Aid of Construction	CAS-6-WAR	2,174,363	(38,704)	2,135,659
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	699,766	47,063	746,829
21	Pension Liability	W/P's	68,839	66,796	135,635
22					
23					
24	Subtotal		3,373,959	329,553	3,703,512
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-WAR	0	0	0
29	Materials and Supplies	W/P's	45,204	0	45,204
30	Prepayments	W/P's	7,466	0	7,466
31	OP&B's Contributed to External Fund	W/P's	68,548	(1,816)	66,732
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	47,521	27,627	75,148
34					
35	Subtotal		168,739	25,811	194,550
36					
37	Total Original Cost Rate Base		9,335,763	150,684	9,486,447
38					
39					
40					

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

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

**Case No. WR-2003-XXX**  
**Schedule CAS-4-WAR**  
**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	\$7,341	\$7,341
3	301	Franchise & Consents	5,083	0	5,083
4	302	Miscellaneous Intangible Plant Studies	0	4,100	4,100
5	303	Subtotal	5,083	11,441	16,524
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	9,981	0	9,981
8	310	Structures & Improvements	26,376	18,420	44,796
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	799,149	0	799,149
12	314	Supply Mains	182,694	0	182,694
13	316	Subtotal	1,018,200	18,420	1,036,620
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	88,185	6,447	94,632
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	5,325	0	5,325
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	299,871	0	299,871
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	12,673	0	12,673
24	328	Subtotal	406,054	6,447	412,501
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	511	0	511
27	330	Water Treatment Structures & Improvements	786,691	101,308	887,999
28	331	Water Treatment Equipment	3,432,911	0	3,432,911
29	332	Water Treatment Equipment - Filter Plant	0	0	0
30	332.4	Subtotal	4,220,113	101,308	4,321,421
31		<u>Transmission &amp; Distribution Plant</u>			
32		Transmission & Distribution Land	37,348	0	37,348
33	340	Transmission & Distribution Structures & Improvements	84,116	0	84,116
34	341	Distribution Reservoirs & Standpipes	588,541	12,894	601,435
35	342	Transmission & Distribution Mains < 4'	3,129,581	0	3,129,581
36	343	Transmission & Distribution Mains 4' - 8'	56,822	0	56,822
37	343.1	Transmission & Distribution Mains 6" - 8'	1,146,690	285,252	1,431,942
38	343.2	Transmission & Distribution Mains > 10'	781,215	5,526	786,741
39	343.3	Subtotal	5,824,313	303,672	6,127,985
40					

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

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

Case No. WR-2003-XXX  
 Schedule CAS-4-WAR  
 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		5,824,313	303,672	6,127,985
2	344	Fire mains		90,985	0	90,985
3	345	Services		1,506,997	81,774	1,588,771
4	346.1	Meters - Bronze Case		212,048	114,551	326,599
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		204,671	0	204,671
7	347	Meter Installation		594,511	0	594,511
8	348	Hydrants		676,264	26,709	702,973
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		9,109,789	526,706	9,636,495
11		General Plant				
12	389	General Land & Land Rights		2,222	0	2,222
13	390	Stores Shops Equipment Structures		0	0	0
14	390.1	Office Structures		133,680	2,459	136,139
15	390	General Structures - HVAC		0	0	0
16	390.3	Miscellaneous Structures		32,242	0	32,242
17	391	Office Furniture and Equipment		431	94,139	126,381
18	391.2	Computers & Peripheral Equipment		0	11,684	12,115
19	391.25	Computer Software		0	9,071	9,071
20	391.26	Personal Computer Software		0	2,247	2,247
21	391.3	Other Office Equipment		0	205	205
22	392.11	Transportation Equipment - Light Trucks		77,006	21,214	98,220
23	392.12	Transportation Equipment - Heavy Trucks		0	0	0
24	392.2	Transportation Equipment - Cars		0	2,520	2,520
25	392.3	Transportation Equipment - Other		0	0	0
26	393	Stores Equipment		0	0	0
27	394	Tools, Shop, & Garage Equipment		12,949	155	13,104
28	395	Laboratory Equipment		55,594	737	56,331
29	396	Power Operated Equipment		22,694	0	22,694
30	397	Communication Equipment (non telephone)		12,402	102	12,504
31	397.2	Telephone Equipment		2,038	420	2,458
32	398	Miscellaneous Equipment		41,879	218	42,097
33	399	Other Tangible Property		6,726	0	6,726
34		Subtotal		399,863	145,171	545,034
35		Total Plant in Service		\$15,159,102	\$809,493	\$15,968,595

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

Accumulated Depreciation and Amortization  
Test Year Ended December 31, 2002

Case No. WR-2003-XXX  
Schedule CAS-5-WAR  
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	301	Organization	\$0	\$0	\$0
3	302	Franchise & Consents	0	0	0
4	303	Miscellaneous Intangible Plant Studies	0	21,677	21,677
5		Subtotal	0	21,677	21,677
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	742	(712)	30
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	0	0	0
11	313	Wells & Springs	66,566	16,702	83,268
12	314	Supply Mains	35,731	2,964	38,695
13	316	Subtotal	103,039	18,954	121,993
14		<u>Pumping Plant</u>			
15	320	Pumping Land & Land Rights	0	0	0
16	321	Pumping Structures & Improvements	31,534	1,297	32,831
17	322	Boiler Plant Equipment	0	0	0
18	323	Force Mains	0	103	103
19	324	Steam Pumping Equipment	0	0	0
20	325	Electric Pumping Equipment	(132,705)	10,363	(122,342)
21	326	Diesel Pumping Equipment	0	0	0
22	327	Pump Equip Hydraulic	0	0	0
23	328	Other Pumping Equipment	5,372	263	5,635
24		Subtotal	(95,799)	12,026	(83,773)
25		<u>Treatment Plant</u>			
26	330	Water Treatment Land & land Rights	0	0	0
27	331	Water Treatment Structures & Improvements	62,104	15,260	77,364
28	332	Water Treatment Equipment	392,027	92,832	484,859
29	332.4	Water Treatment Equipment - Filter Plant	2,411	0	2,411
30		Subtotal	456,542	108,092	564,634
31		<u>Transmission &amp; Distribution Plant</u>			
32	340	Transmission & Distribution Land	0	0	0
33	341	Transmission & Distribution Structures & Improvements	2,319	4,287	6,606
34	342	Distribution Reservoirs & Standpipes	159,329	9,568	168,897
35	343	Transmission & Distribution Mains Conv	1,080,959	44,895	1,125,854
36	343.1	Transmission & Distribution Mains < 4"	0	787	787
37	343.2	Transmission & Distribution Mains 6" - 8"	0	(7,554)	(7,554)
38	343.2	Transmission & Distribution Mains > 10"	0	10,360	10,360
39	343.3	Subtotal	1,242,606	62,344	1,304,950
40					

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

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

Case No. WR-2003-XXX  
Schedule CAS-5-WAR  
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		1,242,606	62,344	1,304,950
2	344	Fire mains		9,287	1,218	10,505
3	345	Services		359,286	29,615	388,901
4	346.1	Meters - Bronze Case		0	1,555	1,555
5	346.2	Meters - Plastic Case		0	0	0
6	346.3	Meters - Not Class By Type		214,980	10,581	225,561
7	347	Meter Installation		62,910	12,589	75,499
8	348	Hydrants		174,993	16,777	191,770
9	349	Other Transmission & Distribution Plant		0	0	0
10		Subtotal		2,064,064	134,677	2,198,741
11		General Plant				
12		General Land & Land Rights		0	0	0
13	389	Stores Shops Equipment Structures		0	0	0
14	390	Office Structures		42,922	3,892	46,814
15	390.1	General Structures - HVAC		0	0	0
16	390	Miscellaneous Structures		0	0	0
17	390.3	Office Furniture and Equipment		(5,818)	(1,297)	(7,115)
18	391	Computers & Peripheral Equipment		0	25,556	25,556
19	391.2	Computer Software		0	19,818	19,818
20	391.25	Personal Computer Software		0	4,312	4,312
21	391.26	Other Office Equipment		0	448	448
22	391.3	Transportation Equipment - Light Trucks		0	11,038	11,038
23	392.11	Transportation Equipment - Heavy Trucks		0	0	0
24	392.12	Transportation Equipment - Cars		0	2,653	2,653
25	392.2	Transportation Equipment - Other		34,338	(0)	34,338
26	392.3	Stores Equipment		0	0	0
27	393	Tools, Shop, & Garage Equipment		5,496	804	6,300
28	394	Laboratory Equipment		2,974	2,192	5,166
29	395	Power Operated Equipment		0	1,055	1,055
30	396	Communication Equipment (non telephone)		0	1,854	1,854
31	397	Telephone Equipment		4,379	752	5,131
32	397.2	Miscellaneous Equipment		5,577	1,750	7,327
33	398	Other Tangible Property		405	123	528
34	399	Subtotal		90,273	74,950	165,223
35		Total Plant In Service		\$2,618,119	\$370,376	\$2,988,495

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	365,610	254,398	620,008
5	252.71	Advances for Construction - Taxable Extensions	65,381	0	65,381
6		Total Customer Advances	<u>430,991</u>	<u>254,398</u>	<u>685,389</u>
7					
8					
9					
10					
11		<u>Contributions in Aid of Construction</u>			
12	271.11	Contributions in Aid - NT Mains	120,418	0	120,418
13	271.12	Contributions in Aid - NT Extension Deposit	53,689	0	53,689
14	271.21	Contributions in Aid - NT Services	74,265	0	74,265
15	271.30	Contributions in Aid - NT Meters	0	0	0
16		Contributions in Aid - NT Hydrants	100,724	0	100,724
17		Contributions in Aid - NT Other	3,068	0	3,068
18	271.71	Contributions in Aid - Taxable Mains	1,746,073	0	1,746,073
19	271.12	Contributions in Aid - Taxable Extension Deposit	435,137	0	435,137
20	271.27	Contributions in Aid - Taxable Services	7,895	0	7,895
21	271.37	Contributions in Aid - Taxable Meters	24,281	0	24,281
22	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
23	Various	Accumulated Amortization - CIAC	(391,187)	(38,704)	(429,891)
24		Total Contributions in Aid of Construction	<u>2,174,363</u>	<u>(38,704)</u>	<u>2,135,659</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	178,642	489	42.40	10.23	32.17	15,745
4	Tax Withholding	84,881	233	42.40	17.39	25.01	5,816
5	Fuel and Power	156,084	428	42.40	37.22	5.18	2,215
6	Chemicals	27,246	75	42.40	36.78	5.62	420
7	Purchased Water	0	0	42.40	53.15	(10.75)	0
8	Service Company Charges	178,276	488	42.40	(4.13)	46.53	22,727
9	Group Insurance	40,481	111	42.40	(8.54)	50.94	5,650
10	OP&B's	24,215	66	42.40	(0.04)	42.44	2,816
11	Pensions	44,863	123	42.40	36.78	5.62	691
12	ESOP	2,161	6	42.40	36.78	5.62	33
13	Insurance Other than Group	32,394	89	42.40	36.78	5.62	499
14	Uncollectables	25,306	69	42.40	36.78	5.62	390
15	Rents	15,499	42	42.40	24.37	18.03	766
16	401(k)	28,222	77	42.40	48.80	(6.40)	(495)
17	Other O&M	263,315	721	42.40	36.78	5.62	4,054
18	Total O&M Expenses	1,101,585					61,327
19							
20							
21	Depreciation Amortization Expense	345,573	947	42.40	-	42.40	40,143
22	Property Taxes	192,241	527	42.40	182.50	(140.10)	(73,789)
23	Public Service Commission Fee	10,831	30	42.40	36.78	5.62	167
24	Franchise and Environment Tax	3,818	10	42.40	110.50	(68.10)	(712)
25	FICA Taxes	332	1	42.40	13.44	28.96	26
26	FUTA Taxes	19,290	53	42.40	62.05	(19.65)	(1,038)
27	SUTA Taxes	5	0	42.40	62.05	(19.65)	0
28	Federal Income Tax - Current	84,961	233	42.40	60.25	(17.85)	(4,155)
29	State Income Tax - Current	13,351	37	42.40	62.17	(19.77)	(723)
30	Deferred Income Taxes	95,603	262	42.40	0.00	42.40	11,106
31	Interest Expense	333,064	913	42.40	91.15	(48.75)	(44,485)
32	Preferred Dividends	4,744	13	42.40	45.63	(3.23)	(42)
33	Total Working Capital Requirement	2,205,399					(12,175)
34							
35							
36	Total Cash and Working Capital Requirement Used						0
37							
38							
39							
40							

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

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

**Case No. WR-2003-XXX**  
**Schedule CAS-8-WAR**  
**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-WAR	\$2,443,411	\$30,390	\$2,473,801	\$247,315	\$2,721,116
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-WAR	916,197	155,005	1,071,202	2,585	1,073,787
10	Depreciation Expense	CAS-10-WAR	323,774	21,799	345,573		345,573
11	Amortization Expense	CAS-10-WAR	0	0	0		0
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-WAR	175,605	16,636	192,241		192,241
15	Payroll Taxes	CAS-10-WAR	18,495	1,132	19,627		19,627
16	PSC Fees	CAS-10-WAR	11,563	0	11,563	0	11,563
17	Other	CAS-10-WAR	3,711	(625)	3,086		3,086
18							
19	Utility Operating Income Before Income Taxes		994,066	(163,557)	830,509	244,730	1,075,239
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-WAR	72,512	12,449	84,961	81,190	166,151
23	State Income Tax	CAS-12-WAR	30,910	(17,559)	13,351	12,758	26,109
24	Deferred Income Taxes		94,579	1,024	95,603	0	95,603
25	Amortization of Investment Tax Credit		0		0		0
26							
27	Utility Operating Income		\$796,065	(\$159,472)	\$636,593	\$150,782	\$787,375
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

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

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

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

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	\$1,235,688	\$9,488	(\$360)	\$1,244,817	\$16,580	\$1,261,397
8	Commercial	478,771	3,974	45	482,791	(9,848)	472,943
9	Industrial	73,997	2,439	161	76,597		76,597
10	Other Public Authority	353,488	(5,952)	16	347,552		347,552
11	Sales for Resale	194,130	15,119	2	209,251		209,251
12	Miscellaneous	0	0	0	0		0
13							
14	Total Metered Sales	2,336,074	25,069	(136)	2,361,007	6,732	2,367,739
15							
16							
17	Sewer Service	0	0	0	0	0	0
18							
19	Fire Service						
20	Private Fire Service	54,725		(1,275)	53,450	0	53,450
21							
22	Total Fire Service	54,725	0	(1,275)	53,450	0	53,450
23							
24	Total Sales of Water	2,390,799	25,069	(1,411)	2,414,457	6,732	2,421,189
25							
26	Other Operating Revenues						
27	Reconnect Charges	4,248			4,248		4,248
28	Returned Check Charge	1,043			1,043		1,043
29	Application Fee	47,380			47,380		47,380
30	Miscellaneous Other Revenue	(60)			(60)		(60)
31	Rents from Water Property	0			0		0
32							
33	Total Other Operating Revenues	52,611	0	0	52,611	0	52,611
34							
35							
36	Total Operating Revenues	\$2,443,411	\$25,069	(\$1,411)	\$2,467,069	\$6,732	\$2,473,801
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: Warrensburg**

**Case No. WR-2003-XXX**  
**Schedule CAS-10-WAR**  
**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-WAR 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-WAR	\$240,892	\$22,631	\$263,523
Purchased Water	CAS-11-WAR	0	0	0
Fuel and Power	CAS-11-WAR	144,301	11,783	156,084
Chemicals	CAS-11-WAR	23,174	4,072	27,246
Waste Disposal	CAS-11-WAR	0	0	0
Management Fees	CAS-11-WAR	108,393	69,883	178,276
Group Insurance	CAS-11-WAR	64,695	1,090	65,785
Pensions	CAS-11-WAR	20,739	24,124	44,863
Regulatory Expense	CAS-11-WAR	7,763	(3,833)	3,930
Insurance, Other than Group	CAS-11-WAR	41,117	(8,723)	32,394
Customer Accounting	CAS-11-WAR	51,160	(475)	50,685
Rents	CAS-11-WAR	4,307	11,192	15,499
General Office Expense	CAS-11-WAR	29,343	1,479	30,822
Miscellaneous	CAS-11-WAR	85,272	1,626	86,898
Maintenance - Other	CAS-11-WAR	95,041	20,156	115,197
Total Operations and Maintenance		916,197	155,005	1,071,202
Depreciation	CAS-11-WAR	323,774	21,799	345,573
Amortization	CAS-11-WAR	0	0	0
Total Depreciation and Amortization		323,774	21,799	345,573
Property Taxes	CAS-11-WAR	175,605	16,636	192,241
Payroll Taxes	CAS-11-WAR	18,495	1,132	19,627
PSC Fees	CAS-11-WAR	11,563	0	11,563
Other General Taxes	CAS-11-WAR	3,711	(625)	3,086
Total Taxes Other Than Income Taxes		209,374	17,143	226,517

## Overall Revenue Requirement Summary

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

Case No. WR-2003-XXX  
Schedule CAS-11-WAR  
Page 1 of 4

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/IEP 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	240,892	\$22,631							
9	Purchased Water	-								0
10	Fuel and Power	144,301						11,783		
11	Chemicals	23,174							4,072	
12	Waste Disposal	-								
13	Management Fees	108,393								
14	Group Insurance	64,695		1,090						
15	Pensions	20,739			24,124					
16	Regulatory Expense	7,763								
17	Insurance Other Than Group	41,117								
18	Customer Accounting	51,160								
19	Rents	4,307								
20	General Office Expense	29,343								
21	Miscellaneous	85,272				(71)				
22	Maintenance - Other	95,041								
23	Total Operations and Maintenance	916,197	22,631	1,090	24,124	(71)	0	11,783	4,072	0
24	Depreciation	323,774								
25	Amortization	-								
26	Total Depreciation and Amortization	323,774	0	0	0	0	0	0	0	0
29a	Property Taxes	175,605								
29b	Payroll taxes	18,495					1,132			
29c	Gross Receipts Taxes	11,563								
29d	Other General Taxes	3,711								
34	Total Taxes other than income	209,374	0	0	0	0	1,132	0	0	0

Company: Missouri-American Water Company  
Operation: Warrensburg  
Case No. WR-2003-XXX

Case No. WR-2003-XXX  
Schedule CAS-11-WAR  
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Company: Missouri-American Water Company  
Operation: Warrensburg  
Case No. WR-2003-XXX

Company: Missouri-American Water Company  
Operation: Warrensburg  
Case No. WR-2003-XXX

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Line  
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Company: Missouri-American Water Company  
Operation: Warrensburg  
Case No. WR-2003-XXX

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Proforma State and Federal Income Taxes at Present and Proposed Rates  
 For the Test Year Ended December 31, 2002

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
10	Utility Operating Income Before Income Taxes	\$830,509	\$830,509	\$1,075,239	\$1,075,239
12	Interest Expense Deduction	332,974	332,974	332,974	332,974
14	Taxable Income	497,535	497,535	742,265	742,265
16	Addback (Deducts):				
17	Tax over Book Depreciation	(242,462)	(242,462)	(242,462)	(242,462)
18	Non-deductible Meals	1,006	1,006	1,006	1,006
19	Amortization Preferred Stock Expense	18	18	18	18
20	Non-deductible Reserve Deficiency	0	0	0	0
22	Total Addbacks (Deducts)	(241,438)	(241,438)	(241,438)	(241,438)
24	Taxable Income	256,097	256,097	500,827	500,827
26	Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
28	Proforma Income Tax at Present / Proposed Rates	84,961	13,351	166,151	26,109
30	Per Books Amount / Present Rates	72,512	30,910	84,961	13,351
32	Proforma adjustment	\$12,449	(\$17,559)	\$81,190	\$12,758

(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: Warrensburg**

**Case No. WR-2003-XXX**  
**Schedule CAS-13-WAR**  
**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	369,795	\$1,261,389	369,795	\$1,331,041	\$69,652	5.52%
5	Commercial	176,107	472,915	176,107	427,627	(45,288)	-9.58%
6	Industrial	43,287	76,597	43,287	70,548	(6,049)	-7.90%
7	Other Public Authority	158,041	347,552	158,041	326,381	(21,171)	-6.09%
8	Other Water Utilities	111,347	209,251	111,347	182,861	(26,390)	-12.61%
9	Miscellaneous	0	0	0	0	0	0.00%
10	Private Fire	0	53,450	0	53,450	0	0.00%
11	Public Fire	0	0	0	246,880	246,880	0.00%
12	Total	858,577	2,421,154	858,577	2,638,788	\$217,634	8.99%
13							
14							
15	<b>Miscellaneous Revenues:</b>						
16							
17	Reconnect Charges		4,248		4,248	0	0.00%
18	Returned Check Charge		1,043		1,043	0	0.00%
19	Application Fee		47,380		47,380	0	0.00%
20	Miscellaneous Other Revenue		(60)		(60)	0	0.00%
21	Rents from Water Property		0		0	0	0.00%
22							
23							
24			<u>\$2,473,765</u>		<u>\$2,691,399</u>	<u>217,634</u>	<u>8.80%</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**

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

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

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

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

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

**Case No. WR-2003-XXX**  
**Schedule CAS-14-WAR**  
**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: Warrensburg**

**Case No. WR-2003-XXX**  
**Schedule CAS-14-WAR**  
**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	6	\$968.28	\$5,810	968.28	\$5,810	\$0	0.00%
5								
6	2"	2	138.84	278	138.84	278	0	0.00%
7								
8	3"	0	238.44	0	238.44	0	0	0.00%
9								
10	4"	15	378.36	5,675	378.36	5,675	0	0.00%
11								
12	6"	27	775.92	20,950	775.92	20,950	0	0.00%
13								
14	8"	14	1,335.12	18,692	1,335.12	18,692	0	0.00%
15								
16	10"	1	2,052.12	2,052	2,052.12	2,052	0	0.00%
17								
18	12"	0	2,925.96	0	2,925.96	0	0	0.00%
19								
20	FAL's and Credits			(7)		(7)	0	0.00%
21								
22	Total	65		\$53,450		\$53,450	\$0	0.00%
23								
24								
25								
26	<b>Public Fire Protection:</b>							
27								
28	Public Fire Hydrants	634	0.00	0	389.40	246,880	246,880	0.00%
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								

Line No.	Description	Schedule	Amount
1			
2			
3			
4	Description	Schedule	Amount
5			
6	Rate Base	CAS-3-PKS	\$35,541
7			
8	Operating Income at Present Rates	CAS-8-PKS	1,941
9			
10	Earned Rate of return		5.46%
11			
12	Requested Rate of Return	Grubb Testimony	8.30%
13			
14	Required Operating Income		2,950
15			
16	Operating Income Deficiency		1,009
17			
18	Gross Revenue Conversion Factor		1.62308
19			
20	Revenue Deficiency		1,637
21			
22	Adjusted Operating Revenues	CAS-8-PKS	49,578
23			
24	Total Revenue Requirement		\$51,215
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		
30	Revenue		\$1,000,000
31	Uncollectibles		0.000
32	PSC Assessment		0.000
33	Before Tax Amount		1,000,000
34	State Income Taxes		52,133
35	Federal Income Taxes		331,754
36	Total Taxes and Expenses		383,887
37	Net Amount		\$616,113
38			
39	Conversion Factor		1.62308
40			

Rate Base Summary  
 For the Test Year Ended December 31, 2002

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-PKS	81,603	603	82,206
6					
7	Accumulated Provision for Depreciation	CAS-5-PKS	(25,190)	(2,358)	(27,548)
8					
9	Accumulated Amortization	W/P's	0	0	0
10					
11	Utility Plant Acquisition Adjustments	W/P's	0	213	213
12					
13	Net Utility Plant		56,413	(1,542)	54,871
14					
15					
16	Less:				
17	Customer Advances	CAS-6-PKS	0	0	0
18	Contributions in Aid of Construction	CAS-6-PKS	16,257	0	16,257
19	Accumulated Deferred ITC (3%)	W/P's	0	0	0
20	Deferred Income Taxes	W/P's	3,731	(400)	3,331
21	Pension Liability	W/P's	956	928	1,884
22					
23					
24	Subtotal		20,944	528	21,472
25					
26					
27	Add:				
28	Cash Working Capital	CAS-7-PKS	1,000	0	1,000
29	Materials and Supplies	W/P's	0	0	0
30	Prepayments	W/P's	104	0	104
31	OP&B's Contributed to External Fund	W/P's	1,066	(28)	1,038
32	Premature Retirement	W/P's	0	0	0
33	Regulatory Deferrals	W/P's	0	0	0
34					
35	Subtotal		2,170	(28)	2,142
36					
37	Total Original Cost Rate Base		37,639	(2,098)	35,541
38					
39					
40					

Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Parkville Sewer (Platte County)

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

Case No. SR-2003-XXX  
 Schedule CAS-4-PKS  
 Page 1 of 1

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma UPIS
1					
2					
3					
4					
5	370.1	Other Including Allocated Plant	\$150	\$603	\$753
6	352.2	WW Land & Ld Rights Gen	9,300	0	9,300
7	353	WW Collecting Mains	30,459	0	30,459
8	374	WW Services Sewer	7,951	0	7,951
9		WW Outfall Sewer Lines	33,743	0	33,743
10					
11		Total Plant in Service	<u>\$81,603</u>	<u>\$603</u>	<u>\$82,206</u>
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					

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

**Missouri Public Service Commission**  
**Company: Missouri-American Water Company**  
**District: Parkville Sewer (Platte County)**

**Case No. SR-2003-XXX**  
**Schedule CAS-5-PKS**  
**Page 1 of 1**

Line #	Acct No	Account Description	Per Books 12/31/02	Pro Forma Adjustments	Pro Forma Reserve
1					
2					
3					
4		Other Including Allocated Plant	\$0	\$1,377	\$1,377
5	370.1	WW Land & Ld Rights Gen	2,543	0	2,543
6	352.2	WW Collecting Mains	13,548	371	13,919
7	353	WW Services Sewer	5,477	146	5,623
8	374	WW Outfall Sewer Lines	3,622	464	4,086
9					
10		Total Plant in Service	<u>\$25,190</u>	<u>\$2,358</u>	<u>\$27,548</u>
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
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36					
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39					
40					

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		Customer Advances			
4	252.11	Advances for Construction - Extensions	0	0	0
5	252.71	Advances for Construction - Taxable Extensions	0	0	0
6		Total Customer Advances	0	0	0
7					
8					
9					
10					
11		Contributions in Aid of Constructor			
12	271.11	Contributions in Aid - NT Mains	0	0	0
13	271.12	Contributions in Aid - NT Extension Deposi	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	0	0	0
18	271.71	Contributions in Aid - Taxable Mains	0	0	0
19	271.12	Contributions in Aid - Taxable Extension Deposi	17,218	0	17,218
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	(961)	0	(961)
24		Total Contributions in Aid of Constructor	16,257	0	16,257
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	1,165	3	39.87	10.23	29.64	95
4	Tax Withholding	554	2	39.87	17.39	22.48	34
5	Fuel and Power	759	2	39.87	37.22	2.65	6
6	Chemicals	0	0	39.87	36.78	3.09	0
7	Purchased Water	0	0	39.87	53.15	(13.28)	0
8	Service Company Charges	2,476	7	39.87	(4.13)	44.00	298
9	Group Insurance	136	0	39.87	(8.54)	48.41	18
10	OP&B's	398	1	39.87	(0.04)	39.91	44
11	Pensions	367	1	39.87	36.78	3.09	3
12	ESOP	25	0	39.87	36.78	3.09	0
13	Insurance Other than Group	166	0	39.87	36.78	3.09	1
14	Uncollectibles	0	0	39.87	36.78	3.09	0
15	Rents	128	0	39.87	24.37	15.50	5
16	401(k)	42	0	39.87	48.80	(8.93)	(1)
17	Other O&M	37,267	102	39.87	36.78	3.09	315
18	Total O&M Expenses	43,483					818
19							
20							
21	Depreciation Expense	2,835	8	39.87	-	39.87	310
22	Property Taxes	992	3	39.87	182.50	(142.63)	(388)
23	Public Service Commission Fee	(18)	(0)	39.87	(30.00)	69.87	(3)
24	Franchise and Environment Tax	(195)	(1)	39.87	110.50	(70.63)	38
25	FICA Taxes	2	0	39.87	13.44	26.43	0
26	FUTA Taxes	107	0	39.87	62.05	(22.18)	(6)
27	SUTA Taxes	0	0	39.87	62.05	(22.18)	0
28	Federal Income Tax - Current	103	0	39.87	60.25	(20.38)	(6)
29	State Income Tax - Current	16	0	39.87	62.17	(22.30)	(1)
30	Deferred Income Taxes	380	1	39.87	0.00	39.87	41
31	Interest Expense	1,247	3	39.87	91.15	(51.28)	(175)
32	Preferred Dividends	18	0	39.87	45.63	(5.76)	0
33	Total Working Capital Requirement	48,970					628
34							
35	Total Cash and Working Capital Requirement Used						1,000
36							
37							
38							
39							
40							

Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Parkville Sewer (Platte County)

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

Case No. WR-2003-XXX  
 Schedule CAS-8-PKS  
 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-PKS	\$49,480	\$98	\$49,578	\$1,637	\$51,215
7							
8	Operating Expenses						
9	Operating and Maintenance	CAS-10-PKS	42,242	1,173	43,415	0	43,415
10	Depreciation Expense	CAS-10-PKS	894	16	910		910
11	Amortization Expense	CAS-10-PKS	1,925	0	1,925		1,925
12							
13	Taxes other Than Income Taxes						
14	Property Taxes	CAS-10-PKS	0	992	992		992
15	Payroll Taxes	CAS-10-PKS	132	(23)	109		109
16	PSC Fees	CAS-10-PKS	(88)	0	(88)	0	(88)
17	Other	CAS-10-PKS	52	(177)	(125)		(125)
18							
19	Utility Operating Income Before Income Taxes		4,323	(1,883)	2,440	1,637	4,077
20							
21	Income Taxes						
22	Federal Income Tax	CAS-12-PKS	1,246	(1,143)	103	543	646
23	State Income Tax	CAS-12-PKS	531	(515)	16	86	102
24	Deferred Income Taxes		873	(493)	380	0	380
25	Amortization of Investment Tax Credit		0		0		0
26							
27	Utility Operating Income		\$1,673	\$268	\$1,941	\$1,008	\$2,949
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							



Missouri Public Service Commission  
 Company: Missouri-American Water Company  
 District: Parkville Sewer (Platte County)

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

Case No. WR-2003-XXX  
 Schedule CAS-9-PKS  
 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				\$0			\$0
8	Commercial				0			0
9	Industrial				0			0
10	Other Public Authority				0			0
11	Sales for Resale				0			0
12	Miscellaneous				0			0
13								
14	Total Metered Sales	0	0	0	0	0	0	0
15								
16								
17	Sewer Service	49,480	0	98	49,578	0	0	49,578
18								
19	Fire Service							
20	Private Fire Service	0	0	0	0	0	0	0
21								
22	Total Fire Service	0	0	0	0	0	0	0
23								
24	Total Sales of Water	49,480	0	98	49,578	0	0	49,578
25								
26	Other Operating Revenues							
27	Reconnect Charges	0			0			0
28	Returned Check Charge	0			0			0
29	Application Fee	0			0			0
30	Miscellaneous Other Revenue	0			0			0
31	Rents from Water Property	0			0			0
32								
33	Total Other Operating Revenues	0	0	0	0	0	0	0
34								
35								
36	Total Operating Revenues	\$49,480	\$0	\$98	\$49,578	\$0	\$0	\$49,578
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-PKS which provides additional detail and support.

Line #	Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
7	Labor	CAS-11-PKS	\$1,726	(\$8)	\$1,718
8	Purchased Water	CAS-11-PKS	0	0	0
9	Fuel and Power	CAS-11-PKS	0	0	0
10	Chemicals	CAS-11-PKS	15	(15)	0
11	Waste Disposal	CAS-11-PKS	34,973	759	35,732
12	Management Fees	CAS-11-PKS	1,506	970	2,476
13	Group Insurance	CAS-11-PKS	533	(313)	220
14	Pensions	CAS-11-PKS	362	5	367
15	Regulatory Expense	CAS-11-PKS	108	(53)	55
16	Insurance, Other than Group	CAS-11-PKS	345	(179)	166
17	Customer Accounting	CAS-11-PKS	84	0	84
18	Rents	CAS-11-PKS	55	73	128
19	General Office Expense	CAS-11-PKS	407	136	543
20	Miscellaneous	CAS-11-PKS	2,102	(202)	1,900
21	Maintenance - Other	CAS-11-PKS	26	0	26
22	Total Operations and Maintenance		42,242	1,173	43,415
23					
24	Depreciation	CAS-11-PKS	894	16	910
25	Amortization	CAS-11-PKS	1,925	0	1,925
26	Total Depreciation and Amortization		2,819	16	2,835
27					
28	Property Taxes	CAS-11-PKS	0	992	992
29	Payroll Taxes	CAS-11-PKS	132	(23)	109
30	PSC Fees	CAS-11-PKS	(88)	0	(88)
31	Other General Taxes	CAS-11-PKS	52	(177)	(125)
32	Total Taxes Other Than Income Taxes		96	792	888
33					
34					
35					
36					
37					
38					
39					
40					

Company: Missouri-American Water Company  
Operation: Parkville Sewer  
Case No. WR-2003-XXX

Line  
No.[illegible]



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Company: Missouri-American Water Company  
 Operation: Parkville Sewer  
 Case No. WR-2003-XXX

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

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Line  
 No.

168 Line Number	Description	Schedule CAS-15 p24 AAO Security Expense	Schedule CAS-15 p25 Relocation Expense	Schedule CAS-15 p26 Franchise tax Expense	Schedule Expense	Schedule Expense	Schedule Expense	Schedule Expense	Present Rate Adjustments	Total Present Rates Expense
8	Labor								(\$8)	\$1,718
9	Purchased Water								0	0
10	Fuel and Power								0	0
11	Chemicals								(15)	0
12	Waste Disposal								759	35,732
13	Management Fees								970	2,476
14	Group Insurance								(313)	220
15	Pensions								5	367
16	Regulatory Expense								(53)	55
17	Insurance Other Than Group								(179)	166
18	Customer Accounting								0	84
19	Rents								73	128
20	General Office Expense								136	543
21	Miscellaneous	\$0	\$19						(202)	1,900
25	Maintenance - Other								0	26
	Total Operations and Maintenance	0	19	0	0	0	0	0	1,173	43,415
27	Depreciation								16	910
28	Amortization								0	1,925
	Total Depreciation and Amortization	0	0	0	0	0	0	0	16	2,835
29a	Property Taxes								992	992
29b	Payroll taxes								(23)	109
29c	Gross Receipts Taxes								0	(88)
29d	Other General Taxes			\$2					(177)	(125)
	Total Taxes other than income	0	0	2	0	0	0	0	792	888

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		\$2,440	\$2,440	\$4,077	\$4,077
Interest Expense Deduction		1,247	1,247	1,247	1,247
Taxable Income		1,193	1,193	2,830	2,830
Addback (Deducts):					
Tax over Book Depreciation	(897)		(897)	(897)	(897)
Non-deductible Meals	14		14	14	14
Amortization Preferred Stock Expense	0		0	0	0
Non-deductible Reserve Deficiency	0		0	0	0
Total Addbacks (Deducts)	(883)		(883)	(883)	(883)
Taxable Income		310	310	1,947	1,947
Effective Tax Rate (1)		33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates		103	16	646	102
Per Books Amount / Present Rates		1,246	531	103	16
Proforma adjustment		(\$1,143)	(\$515)	\$543	\$86

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

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

**Missouri Public Service Commission  
Company: Missouri-American Water  
District: Parkville Sewer**

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Schedule CAS-13-PKS  
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