

ST. JOSEPH DISTRICT

II-1

PART II. COST OF SERVICE BY CUSTOMER CLASSIFICATION

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2002

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 8,733,164	47.4%	\$ 7,827,381	46.9%	\$ 8,713,010	47.3%	\$ 885,629	11.3%
Commercial	3,454,029	18.7%	3,260,658	19.5%	3,453,482	18.7%	192,824	5.9%
Industrial	2,656,764	14.4%	2,731,898	16.4%	2,654,641	14.4%	(77,257)	-2.8%
Public Authority	751,451	4.1%	660,129	4.0%	752,513	4.1%	92,384	14.0%
Sales for Resale	1,866,506	10.1%	2,054,575	12.3%	1,866,583	10.1%	(187,992)	-9.1%
Private Fire Service	133,944	0.7%	155,667	0.9%	155,667	0.8%	-	0.0%
Public Fire Service	845,585	4.6%	-	0.0%	845,585	4.6%	845,585	-
Total Sales	18,441,443	100.0%	16,690,308	100.0%	18,441,480	100.0%	1,751,173	10.5%
Other Revenues	180,837		180,837		180,837		-	0.0%
Total	\$ 18,622,280		\$ 16,871,145		\$ 18,622,317		\$ 1,751,173	10.4%

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	0				2,519	6,917	78	442
Labor & Exp Oper SS	2	52,050	21,590	10,941	9,562	0	0	0	0
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		52,050	21,590	10,941	9,562	2,519	6,917	78	442
SOURCE OF SUPPLY EXPENSES									
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	143	59	30	26	7	19	0	1
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	178	74	37	33	9	24	0	2
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Inflit Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	2,214	918	465	407	107	294	3	19
TOTAL SS EXPENSE - MAINTENANCE		2,535	1,052	533	466	123	337	4	22
TOTAL SS EXPENSE		54,585	22,642	11,474	10,027	2,642	7,254	82	464
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	97,500	39,858	20,192	17,589	4,641	12,714	371	2,135
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	12,371	5,057	2,562	2,232	589	1,613	47	271
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	585,732	221,231	121,657	121,949	28,057	84,111	1,289	7,439
Labor & Exp Oper Pump	6	199,284	81,467	41,272	35,951	9,486	25,987	757	4,364
Labor & Exp Oper Pump	6	4,252	1,738	881	767	202	554	16	93
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	2	1	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		899,141	349,353	186,564	178,488	42,975	124,980	2,480	14,302

MISSOURI-AMERICAN WATER COMPANY
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COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Super & Eng Maint P	6	13,928	5,694	2,884	2,513	663	1,816	53	305
Struct & Improve Maint P	6	436	178	90	79	21	57	2	10
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		14,364	5,872	2,975	2,591	684	1,873	55	315
TOTAL PUMPING EXPENSES		913,505	355,225	189,538	181,080	43,659	126,853	2,534	14,617
WATER TREATMENT									
Super & Eng Oper WT	2	122,512	50,818	25,752	22,505	5,930	16,282	184	1,041
Chemicals	1	309,425	116,870	64,268	64,422	14,821	44,433	681	3,930
Labor & Exp Oper WT	2	172,775	71,667	36,317	31,739	8,362	22,962	259	1,469
Labor & Exp Oper WT	2	911	378	191	167	44	121	1	8
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Misc Exp Oper WT	1	100,084	37,802	20,787	20,837	4,794	14,372	220	1,271
Misc Exp Oper WT	2	82,955	34,410	17,437	15,239	4,015	11,025	124	705
Rents Oper WT	2	77	32	16	14	4	10	0	1
TOTAL WT EXPENSE - OPERATION		788,739	311,976	164,769	154,924	37,970	109,205	1,470	8,424
Super & Eng Maint WT	2	38,934	16,150	8,184	7,152	1,884	5,174	58	331
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	71,109	29,496	14,947	13,063	3,442	9,450	107	604
TOTAL WT EXPENSE - MAINTENANCE		110,043	45,646	23,131	20,215	5,326	14,625	165	935
TOTAL WT EXPENSE		898,782	357,622	187,900	175,139	43,296	123,830	1,635	9,360
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	97,949	57,947	15,966	5,524	3,134	2,282	2,449	10,647
Storage Facility Exp	5	1,618	614	299	228	69	176	35	197
Storage Facility Exp	5	3,118	1,183	576	439	133	340	67	380
TD Lines Exp	7	96,766	38,445	18,947	8,061	4,354	3,222	3,551	20,185
TD Lines Exp	7	43,336	17,217	8,485	3,610	1,950	1,443	1,590	9,040
Meter Expense	9	89,002	71,193	12,104	2,723	1,860	1,121	0	0
Meter Expense	9	2,669	2,135	363	82	56	34	0	0
Customer Install Exp	10	37,694	31,463	3,913	313	343	64	1,598	0
Customer Install Exp	10	20	17	2	0	0	0	1	0
Misc Exp Oper TD	11	63,571	37,609	10,362	3,585	2,034	1,481	1,589	6,910

MISSOURI-AMERICAN WATER COMPANY
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COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	13,212	7,816	2,154	745	423	308	330	1,436
Rents Oper TD	11	1,672	989	273	94	54	39	42	182
TOTAL T & D EXPENSE OPERATION		450,627	266,627	73,443	25,405	14,410	10,511	11,253	48,977
Super & Eng Maint TD	12	56,625	28,958	8,998	3,256	1,840	1,302	1,506	10,764
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	225	85	42	32	10	25	5	27
TD Main Maint TD	7	95,984	38,134	18,794	7,995	4,319	3,196	3,523	20,022
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	97	0	0	0	0	0	0	97
Services Maint TD	10	18,189	15,182	1,888	151	166	31	771	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	36,655	29,320	4,985	1,122	766	462	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	10,601	0	0	0	0	0	0	10,601
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	1,736	888	276	100	56	40	46	330
Mat and Sup Maint TD	12	60,899	31,144	9,677	3,502	1,979	1,401	1,620	11,577
Misc Maint TD	12	155	79	25	9	5	4	4	29
Amort Def Maint TD	5	143,830	54,569	26,580	20,266	6,127	15,677	3,092	17,518
TOTAL T & D EXPENSE - MAINTENANCE		424,996	198,360	71,263	36,432	15,269	22,138	10,567	70,967
TOTAL T & D EXPENSE		875,623	464,988	144,706	61,837	29,679	32,649	21,820	119,944
CUSTOMER ACCOUNTS									
Supervision CA	13	18,314	16,120	1,793	82	110	11	198	0
Meter Reading Exp CA	14	254,541	226,491	25,200	1,145	1,553	153	0	0
Meter Reading Exp CA	14	5,316	4,730	526	24	32	3	0	0
Meter Reading Exp CA	14	22,304	19,846	2,208	100	136	13	0	0
Cust Rec & Collection CA	13	37,346	32,872	3,656	168	224	22	403	0
Cust Rec & Collection CA	13	74,042	65,172	7,249	333	444	44	800	0
Uncollectible Accts	13	129,895	114,334	12,717	585	779	78	1,403	0
Misc Cust Accts Exp CA	13	3,312	2,915	324	15	20	2	36	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	5,328	4,690	522	24	32	3	58	0
Cust Serv & Info Exp CA	13	235	207	23	1	1	0	3	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		550,633	487,376	54,217	2,478	3,332	330	2,899	0

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	246,581	140,773	40,908	23,968	8,039	15,880	2,885	14,129
Other Supplies & Exp AG	15	76	43	13	7	2	5	1	4
Other Supplies & Exp AG	15	78,939	45,066	13,096	7,673	2,573	5,084	924	4,523
Other Supplies & Exp AG	15	110,819	63,267	18,385	10,772	3,613	7,137	1,297	6,350
Mgmt Fees-Corporate/Shared Service Center	15	345,153	197,048	57,261	33,549	11,252	22,228	4,038	19,777
Mgmt Fees-Call Center	13	284,665	250,562	27,869	1,281	1,708	171	3,074	0
Mgmt Fees-Belleville Lab	2	51,588	21,399	10,844	9,477	2,497	6,856	77	438
Mgmt Fees- Financial ITS	15	30,005	17,130	4,978	2,916	978	1,932	351	1,719
Mgmt Fees- Customer Billings ITS	13	169,397	149,103	16,584	762	1,016	102	1,829	0
Mgmt Fees-Other ITS	15	1,906	1,088	316	185	62	123	22	109
Outside Services AG	15	96,241	54,944	15,966	9,355	3,137	6,198	1,126	5,515
Outside Services AG	15	(279)	(159)	(46)	(27)	(9)	(18)	(3)	(16)
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	48,886	27,909	8,110	4,752	1,594	3,148	572	2,801
Ins Work Comp AG	16	40,730	23,216	6,826	3,979	1,348	2,590	452	2,318
Ins Other Oper AG	15	54,731	31,246	9,080	5,320	1,784	3,525	640	3,136
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	1,147	654	192	112	38	73	13	65
Employee Pension & Benefits	16	463,295	264,078	77,648	45,264	15,335	29,466	5,143	26,361
Employee Pension & Benefits	16	293,277	167,168	49,153	28,653	9,707	18,652	3,255	16,687
Employee Pension & Benefits	16	52,167	29,735	8,743	5,097	1,727	3,318	579	2,968
Reg Commission Exp	15	19,462	11,111	3,229	1,892	634	1,253	228	1,115
Rents AG	15	118,312	67,544	19,628	11,500	3,857	7,619	1,384	6,779
Goodwill Advertising Exp	15	2,300	1,313	382	224	75	148	27	132
Misc Exp AG	15	36,355	20,755	6,031	3,534	1,185	2,341	425	2,083
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		2,545,753	1,584,994	395,196	210,243	72,154	137,831	28,340	116,996
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	21,704	12,391	3,601	2,110	708	1,398	254	1,244
TOTAL A & G EXPENSE - MAINTENANCE		21,704	12,391	3,601	2,110	708	1,398	254	1,244
TOTAL A & G EXPENSE		2,567,457	1,597,384	398,796	212,353	72,861	139,228	28,594	118,240
Total Operation & Maintenance Expenses		5,860,586	3,285,237	986,632	642,914	195,469	430,144	57,565	262,625

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	143	59	30	26	7	19	0	1
Struct & Imp P	6	99,436	40,649	20,593	17,938	4,733	12,966	378	2,178
Struct & Imp WT	2	428,891	177,904	90,153	78,787	20,758	57,000	643	3,646
Struct & Imp TD	7	4,642	1,844	909	387	209	155	170	968
Struct & Imp Offices	15	17,434	9,953	2,892	1,695	568	1,123	204	999
Struct & Imp Store,Shop,Gar	15	5,463	3,119	906	531	178	352	64	313
Struct & Imp Misc	15	23,142	13,212	3,839	2,249	754	1,490	271	1,326
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	6,067	2,517	1,275	1,115	294	806	9	52
Wells & Springs	2	488	202	103	90	24	65	1	4
Supply Mains	2	130,179	53,998	27,364	23,914	6,301	17,301	195	1,107
Pump Equip Electric	6	168,720	68,973	34,942	30,437	8,031	22,001	641	3,695
WT Equip Non-Media	2	753,260	312,452	158,335	138,374	36,458	100,108	1,130	6,403
Dist Reservoirs & Standpipe	5	32,899	12,482	6,080	4,635	1,401	3,586	707	4,007
Elevated Tanks & Standpipes	5	6,619	2,511	1,223	933	282	721	142	806
Ground Level Facilities	5	1,679	637	310	237	72	183	36	205
TD Mains 4 & Less	4	9,934	3,982	1,950	622	449	118	421	2,392
TD Mains 6 to 8"	4	74,085	29,693	14,543	4,638	3,349	882	3,141	17,840
TD Mains 10 to 16"	3	126,994	48,550	24,611	21,513	5,664	15,569	1,664	9,423
TD Mains 18 & Grtr	3	66,492	25,420	12,886	11,264	2,966	8,152	871	4,934
Services	10	40,042	33,423	4,156	332	364	68	1,698	0
Meters Bronze Case	9	65,809	52,641	8,950	2,014	1,375	829	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	16,091	12,871	2,188	492	336	203	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	140,856	112,671	19,156	4,310	2,944	1,775	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	36,750	0	0	0	0	0	0	0
Utility Plant Acquisition Adjustment	17	1,932	824	381	314	86	224	12	91
Other P/E WT Res Hand Equip	2	39,476	16,375	8,298	7,252	1,911	5,246	59	336
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	8,172	4,665	1,356	794	266	526	96	468
Comp & Periph Equip	15	29,865	17,050	4,955	2,903	974	1,923	349	1,711
Computer Software	15	22,469	12,828	3,728	2,184	732	1,447	263	1,287
Comp Software Personal	15	8,922	5,094	1,480	867	291	575	104	511
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	17,492	9,986	2,902	1,700	570	1,126	205	1,002
Trans Equip Lt Duty Trks	15	19,033	10,866	3,158	1,850	620	1,226	223	1,091
Trans Equip Hvy Duty Trks	15	31,272	17,853	5,188	3,040	1,019	2,014	366	1,792

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Trans Equip Autos	15	15,215	8,686	2,524	1,479	496	980	178	872
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	7,055	4,028	1,170	686	230	454	83	404
Tools, Shop, Garage Equip	15	38,088	21,744	6,319	3,702	1,242	2,453	446	2,182
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	33,487	13,890	7,039	6,152	1,621	4,450	50	285
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	10,165	5,803	1,686	988	331	655	119	582
Comm Equip Non-Telephone	15	5,608	3,202	930	545	183	361	66	321
Comm Equip Telephone	15	0	0	0	0	0	0	0	0
Misc Equipment	15	9,013	5,146	1,495	876	294	580	105	516
Total Depreciation Expense		2,553,379	1,177,803	490,005	381,864	108,384	269,714	15,110	110,499
Amort-Other UP	18	158,893	67,736	31,318	25,852	7,087	18,479	969	7,452
Taxes Other Than Income									
Utility Reg Assessment Fee	19	73,870	34,977	13,836	10,645	3,014	7,476	539	3,383
Property Taxes	18	1,054,511	449,538	207,844	171,569	47,031	122,640	6,433	49,457
FUTA	16	2,095	1,194	351	205	69	133	23	119
FICA	16	133,123	75,880	22,311	13,006	4,406	8,467	1,478	7,575
SUTA	16	(38)	(22)	(6)	(4)	(1)	(2)	(0)	(2)
Other Taxes & Licenses	15	18,905	10,793	3,136	1,838	616	1,217	221	1,083
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		1,282,466	572,361	247,472	197,258	55,136	139,930	8,693	61,615
Income Taxes	18	2,442,863	1,041,393	481,488	397,454	108,952	284,105	14,901	114,570
Utility Income Available for Return	18	6,783,841	2,891,951	1,337,095	1,103,731	302,559	788,961	41,381	318,162
Total Cost of Service		19,082,028	9,036,481	3,574,011	2,749,072	777,586	1,931,334	138,620	874,923
Less: Other Water Revenues	19	(180,837)	(85,626)	(33,871)	(26,059)	(7,378)	(18,301)	(1,320)	(8,282)
Revenue Contribution	19	(459,748)	(217,691)	(86,111)	(66,250)	(18,758)	(46,526)	(3,356)	(21,056)
Total Other Water Revenues		(640,585)	(303,317)	(119,982)	(92,308)	(26,136)	(64,827)	(4,676)	(29,339)
Total Cost of Service Related to Sales of Water		18,441,443	8,733,164	3,454,029	2,656,764	751,451	1,866,506	133,944	845,585

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

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

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	5,075	0.3777
Commercial	2,790	0.2077
Industrial	2,797	0.2082
Other Public Authority	643	0.0479
Sales for Resale	1,930	0.1436
Private Fire Protection	30	0.0022
Public Fire Protection	171	0.0127
Total	13,436	1.0000

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.6667	(4)	(5)=(4)x 0.3333	(6)=(3)+(5)
Residential	0.3777	0.2518	0.4890	0.1630	0.4148
Commercial	0.2077	0.1385	0.2151	0.0717	0.2102
Industrial	0.2082	0.1388	0.1348	0.0449	0.1837
Other Public Authority	0.0479	0.0319	0.0495	0.0165	0.0484
Sales for Resale	0.1436	0.0957	0.1116	0.0372	0.1329
Private Fire Protection	0.0022	0.0015			0.0015
Public Fire Protection	0.0127	0.0085			0.0085
Total	1.0000	0.6667	1.0000	0.3333	1.0000

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

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day (4)=(2)x(3)	Allocation Factor (5)
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	5,075	1.0	5,075	0.4890
Commercial	2,790	0.8	2,232	0.2151
Industrial	2,797	0.5	1,399	0.1348
Other Public Authority	643	0.8	514	0.0495
Sales for Resale	1,930	0.6	1,158	0.1116
Total	13,235		10,378	1.0000

The weighting of the factors is based on the maximum day ratio of 1.50, based on a review of maximum day ratios experienced during the period 1990 through 2002 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.6667
Maximum Day Extra Capacity	0.50	0.3333
Total	1.50	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

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

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.6146	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.3073	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0781	
Residential	0.3777	0.2320	0.4890	0.1503			0.3823
Commercial	0.2077	0.1277	0.2151	0.0661			0.1938
Industrial	0.2082	0.1280	0.1348	0.0414			0.1694
Other Public Authority	0.0479	0.0294	0.0495	0.0152			0.0446
Sales for Resale	0.1436	0.0883	0.1116	0.0343			0.1226
Private Fire Protection	0.0022	0.0014			0.1498	0.0117	0.0131
Public Fire Protection	0.0127	0.0078			0.8502	0.0664	0.0742
Total	1.0000	0.6146	1.0000	0.3073	1.0000	0.0781	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.50 and the average daily system sendout for 2002 of 15.117 MGD. The system demand for fire protection is 8,000 Gallons per minute for 4 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	15,117,000	0.6146
Maximum Day Extra Capacity	<u>0.50</u>	<u>7,558,500</u>	<u>0.3073</u>
Subtotal	<u>1.50</u>	22,675,500	0.9219
Fire Protection		<u>1,920,000</u>	<u>0.0781</u>
Total		<u>24,595,500</u>	<u>1.0000</u>

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

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

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

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3620	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.3620	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.2760	Allocation Factor (9)=(4)+(6)+(8)	
Residential	211.5	0.5046	0.1828	0.6022	0.2180			0.4008	
Commercial	116.3	0.2774	0.1004	0.2649	0.0959			0.1963	
Industrial	48.0	0.1145	0.0414	0.0586	0.0212			0.0626	
Other Public Authority	26.8	0.0639	0.0231	0.0610	0.0221			0.0452	
Sales for Resale	8.2	0.0196	0.0071	0.0133	0.0048			0.0119	
Private Fire Protection	1.3	0.0031	0.0011			0.1498	0.0413	0.0424	
Public Fire Protection	7.1	0.0169	0.0061			0.8502	0.2347	0.2408	
Total	419.2	1.0000	0.3620	1.0000	0.3620	1.0000	0.2760	1.0000	1.0000

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

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.0 and the average daily system sendout for 2002 of 15.117 MGD. The system demand for fire protection is 8,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	10,498	0.3620
Maximum Hour Extra Capacity	1.00	10,498	0.3620
Subtotal	<u>2.00</u>	20,996	0.7240
Fire Protection		8,000	0.2760
Total		<u>28,996</u>	<u>1.0000</u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	211.5	3.5	740.3	0.6022
Commercial	116.3	2.8	325.6	0.2649
Industrial	48.0	1.5	72.0	0.0586
Other Public Authority	26.8	2.8	75.0	0.0610
Sales for Resale	8.2	2.0	16.4	0.0133
Total	<u>410.8</u>		<u>1,229.3</u>	<u>1.0000</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor
	(2)	(3)	(4)=(3) X 0.4316	(5)	(6)=(5) X 0.4316	(7)	(8)=(7) X 0.1368	(9)=(4)+(6)+(8)	
Residential	211.5	0.3777	0.1630	0.5014	0.2164			0.3794	
Commercial	116.3	0.2077	0.0896	0.2205	0.0952			0.1848	
Industrial	116.5	0.2081	0.0898	0.1184	0.0511			0.1409	
Other Public Authority	26.8	0.0479	0.0207	0.0508	0.0219			0.0426	
Sales for Resale	80.4	0.1436	0.0620	0.1089	0.0470			0.1090	
Private Fire Protection	1.3	0.0023	0.0010			0.1498	0.0205	0.0215	
Public Fire Protection	7.1	0.0127	0.0055			0.8502	0.1163	0.1218	
Total	559.9	1.0000	0.4316	1.0000	0.4316	1.0000	0.1368	1.0000	

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

The weighting of the factors is based on the ratio of the capacity required for a 4 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{8,000 \text{ GPM} \times 60 \text{ Min.} \times 4 \text{ Hrs}}{14,040,000 \text{ Gallons}} = 0.1368$$

$$\text{General Service Weight} = 1.0000 - 0.1368 = 0.8632$$

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

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	50.00	0.4316
Extra Capacity Maximum Hour	1.00	50.00	0.4316
Total	2.00	100.00	0.8632

Customer Classification	Average Hourly Consumption Thousand Gal.	Factor*	Maximum Hour Extra Capacity	
			1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	211.5	3.5	740.3	0.5014
Commercial	116.3	2.8	325.6	0.2205
Industrial	116.5	1.5	174.8	0.1184
Other Public Authority	26.8	2.8	75.0	0.0508
Sales for Resale	80.4	2.0	160.8	0.1089
Total	551.5		1476.5	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

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

Customer Classification (1)	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor (8)=(3)+ (5)+(7)
	Allocation Factor 2 (2)	Weighted Factor (3)=(2)X 0.8106	Allocation Factor 3 (4)	Weighted Factor (5)=(4)X 0.1841	Allocation Factor 4 (6)	Weighted Factor (7)=(6)X 0.0053	
Residential	0.4148	0.3363	0.3823	0.0703	0.4008	0.0022	0.4088
Commercial	0.2102	0.1704	0.1938	0.0357	0.1963	0.0010	0.2071
Industrial	0.1837	0.1489	0.1694	0.0312	0.0626	0.0003	0.1804
Other Public Authority	0.0484	0.0392	0.0446	0.0082	0.0452	0.0002	0.0476
Sales for Resale	0.1329	0.1077	0.1226	0.0226	0.0119	0.0001	0.1304
Private Fire Protection	0.0015	0.0012	0.0131	0.0024	0.0424	0.0002	0.0038
Public Fire Protection	0.0085	0.0069	0.0742	0.0137	0.2408	0.0013	0.0219
Total	<u>1.0000</u>	<u>0.8106</u>	<u>1.0000</u>	<u>0.1841</u>	<u>1.0000</u>	<u>0.0053</u>	<u>1.0000</u>

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

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	4,600	0.8106
Associated with Maximum Day and Fire	1,045	0.1841
Associated with Maximum Hour	<u>30</u>	<u>0.0053</u>
Total	<u>5,675</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

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

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1937	(4)	(5)=(4)X 0.8063	(6)=(3)+(5)
Residential	0.3823	0.0742	0.4008	0.3231	0.3973
Commercial	0.1938	0.0375	0.1963	0.1583	0.1958
Industrial	0.1694	0.0328	0.0626	0.0505	0.0833
Other Public Authority	0.0446	0.0086	0.0452	0.0364	0.0450
Sales for Resale	0.1226	0.0237	0.0119	0.0096	0.0333
Private Fire Protection	0.0131	0.0025	0.0424	0.0342	0.0367
Public Fire Protection	0.0742	0.0144	0.2408	0.1942	0.2086
Total	1.0000	0.1937	1.0000	0.8063	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	630,263	0.1937
Distribution Mains	2,624,076	0.8063
Total	3,254,339	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

<u>Customer Classification</u> (1)	<u>Allocation Factor</u> (3)
Public Fire Protection	1.0000
Total	<u>1.0000</u>

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	28,709	0.7999
Commercial	4,881	0.1360
Industrial	1,098	0.0306
Other Public Authority	751	0.0209
Sales for Resale	452	0.0126
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u>35,891</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)
5/8	1.0	26,650	26,650	2,287	2,287	7	7	39	39	0	0	28,983	28,983
3/4	1.3	795	1,034	157	204	3	4	11	14	0	0	966	1,256
1	1.7	548	932	341	580	22	37	37	63	0	0	948	1,612
1-1/2	3.5	5	18	87	305	7	25	19	67	0	0	118	415
2	4.3	13	56	226	972	82	353	78	335	11	47	410	1,763
3	19.0	1	19	6	114	2	38	2	38	0	0	11	209
4	29.3	0	0	11	322	15	440	5	147	5	147	36	1,056
6	48.4	0	0	2	97	4	194	1	48	3	145	10	484
8	112.9	0	0	0	0	0	0	0	0	1	113	1	113
Total		28,012	28,709	3,117	4,881	142	1,098	192	751	20	452	31,483	35,891

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	28,124	0.8347
Commercial	3,497	0.1038
Industrial	279	0.0083
Other Public Authority	305	0.0091
Sales for Resale	56	0.0017
Private Fire Protection	<u>1,429</u>	<u>0.0424</u>
Total	<u><u>33,690</u></u>	<u><u>1.0000</u></u>

Schedule C-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(11)	Number of Services (15)	Weighting (16)
3/4	1.00	27,445	27,445	2,444	2,444	10	10	50	50	0	0	0	0	29,949	29,949
1	1.17	548	641	341	399	22	26	37	43	0	0	0	0	948	1,109
1-1/2	1.58	5	8	87	137	7	11	19	30	0	0	0	0	118	186
2	2.04	13	27	228	461	82	167	78	159	11	22	4	8	414	844
3	2.73	1	3	6	16	2	5	2	5	0	0	1	3	12	32
4	2.88	0	0	11	32	15	43	5	14	5	14	61	176	97	279
6	4.24	0	0	2	8	4	17	1	4	3	13	121	513	131	555
8	6.98	0	0	0	0	0	0	0	0	1	7	77	537	78	544
10	9.50	0	0	0	0	0	0	0	0	0	0	10	95	10	95
12	12.16	0	0	0	0	0	0	0	0	0	0	8	97	8	97
Total		28,012	28,124	3,117	3,497	142	279	192	305	20	56	282	1,429	31,765	33,690

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

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

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 162,267	0.5916
Commercial	44,689	0.1630
Industrial	15,456	0.0564
Other Public Authority	8,765	0.0320
Sales for Resale	6,401	0.0233
Private Fire Protection	6,843	0.0250
Public Fire Protection	29,802	0.1087
Total	274,223	1.0000

**FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.**

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

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 82,723	0.5114
Commercial	25,708	0.1589
Industrial	9,300	0.0575
Other Public Authority	5,260	0.0325
Sales for Resale	3,714	0.0230
Private Fire Protection	4,299	0.0266
Public Fire Protection	30,748	0.1901
Total	\$161,751	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,012	0.8802
Commercial	3,117	0.0979
Industrial	142	0.0045
Other Public Authority	192	0.0060
Sales for Resale	20	0.0006
Private Fire Protection	345	0.0108
Public Fire Protection	0	0.0000
Total	31,828	1.0000

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,012	0.8898
Commercial	3,117	0.0990
Industrial	142	0.0045
Other Public Authority	192	0.0061
Sales for Resale	20	0.0006
Total	31,483	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

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

<u>Customer Classification</u> (1)	<u>Operation & Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$1,311,950	0.5709
Commercial	381,124	0.1659
Industrial	223,352	0.0972
Other Public Authority	74,936	0.0326
Sales for Resale	147,999	0.0644
Private Fire Protection	26,781	0.0117
Public Fire Protection	<u>131,745</u>	<u>0.0573</u>
 Total	 <u><u>\$2,297,887</u></u>	 <u><u>1.0000</u></u>

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$1,039,899	0.5700
Commercial	305,707	0.1676
Industrial	178,228	0.0977
Other Public Authority	60,473	0.0331
Sales for Resale	116,076	0.0636
Private Fire Protection	20,326	0.0111
Public Fire Protection	103,837	0.0569
Total	<u>\$1,824,546</u>	<u>1.0000</u>

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

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

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$37,067,659	0.4266
Commercial	17,117,278	0.1970
Industrial	14,129,789	0.1626
Other Public Authority	3,869,788	0.0445
Sales for Resale	10,094,228	0.1162
Private Fire Protection	534,733	0.0062
Public Fire Protection	4,076,605	0.0469
Total	<u>\$86,890,079</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

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

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$35,009,580	0.4263
Commercial	16,181,843	0.1971
Industrial	13,364,383	0.1627
Other Public Authority	3,659,227	0.0446
Sales for Resale	9,548,446	0.1163
Private Fire Protection	504,476	0.0061
Public Fire Protection	3,851,321	0.0469
Total	<u>\$82,119,276</u>	<u>1.0000</u>

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

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

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$8,990,392	0.4735
Commercial	3,556,946	0.1873
Industrial	2,736,536	0.1441
Other Public Authority	773,938	0.0408
Sales for Resale	1,922,605	0.1012
Private Fire Protection	137,853	0.0073
Public Fire Protection	870,425	0.0458
Total	<u>\$18,988,696</u>	<u>1.0000</u>

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
RATE BASE									
Organization	17	\$ 36,349	\$ 15,506	\$ 7,161	\$ 5,910	\$ 1,618	\$ 4,224	\$ 225	\$ 1,705
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	1,221,221	506,562	256,701	224,338	59,107	162,300	1,832	10,380
Land & Ld Rights P	6	8,921	3,647	1,848	1,609	425	1,163	34	195
Land & Ld Rights WT	2	0	0	0	0	0	0	0	0
Land & Ld Rights TD	7	779,350	309,636	152,597	64,920	35,071	25,952	28,602	162,572
Land & Land Rights AG	15	196,565	112,219	32,610	19,106	6,408	12,659	2,300	11,263
Struct & Imp SS	2	(5,165)	(2,142)	(1,086)	(949)	(250)	(686)	(8)	(44)
Struct & Imp P	6	4,545,977	1,858,395	941,472	820,094	216,389	592,795	17,275	99,557
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	20,570,510	8,532,648	4,323,921	3,778,803	995,613	2,733,821	30,856	174,849
Struct & Imp WT Nth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Pit 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctrl Pit 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	128,450	51,033	25,151	10,700	5,780	4,277	4,714	26,795
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	369,260	210,811	61,260	35,892	12,038	23,780	4,320	21,159
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	207,755	118,607	34,467	20,194	6,773	13,379	2,431	11,904
Struct & Imp Misc	15	823,953	470,395	136,694	80,088	26,861	53,063	9,640	47,213
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	686,343	284,695	144,269	126,081	33,219	91,215	1,030	5,834
Wells & Springs	2	62,836	26,064	13,208	11,543	3,041	8,351	94	534
Supply Mains	2	8,899,349	3,691,450	1,870,643	1,634,810	430,728	1,182,723	13,349	75,644
Supply Mains Nth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctrl Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Pit (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	4,357,690	1,781,424	902,478	786,127	207,426	568,243	16,559	95,433
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	19,060,920	7,906,470	4,006,605	3,501,491	922,549	2,533,196	28,591	162,018
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	0	0	0	0	0	0	0	0
Dist Reservoirs & Standpipe	5	761,963	289,089	140,811	107,361	32,460	83,054	16,382	92,807
Elevated Tanks & Standpipes	5	299,507	113,633	55,349	42,201	12,759	32,646	6,439	36,480
Ground Level Facilities	5	83,753	31,776	15,478	11,801	3,568	9,129	1,801	10,201
TD Mains Not Classified by	7	(4,304,021)	(1,709,988)	(842,727)	(358,525)	(193,681)	(143,324)	(157,958)	(897,819)
TD Mains 4 & Less "	4	709,184	284,241	139,213	44,395	32,055	8,439	30,069	170,772
TD Mains 6 to 8 "	4	4,589,695	1,839,550	900,957	287,315	207,454	54,617	194,603	1,105,199
TD Mains 10 to 16 "	3	9,013,127	3,445,718	1,746,744	1,526,824	401,985	1,105,009	118,072	668,774
TD Mains 18 & Grtr "	3	4,717,372	1,803,451	914,227	799,123	210,395	578,350	61,798	350,029
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	1,845,537	1,540,470	191,567	15,318	16,794	3,137	78,251	0
Meters Bronze Case	9	1,127,947	902,245	153,401	34,515	23,574	14,212	0	0
Meters Plastic Case	9	76,689	61,344	10,430	2,347	1,603	966	0	0
Meters Other	9	(766,120)	(612,819)	(104,192)	(23,443)	(16,012)	(9,653)	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	1,902,981	1,522,195	258,805	58,231	39,772	23,978	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	1,517,172	0	0	0	0	0	0	0
Other P/E Intangible	15	0	0	0	0	0	0	0	1,517,172
Other P/E WT Res Hand Equip	2	1,267,150	525,614	266,355	232,775	61,330	168,404	1,901	10,771

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	(87,317)	(49,849)	(14,486)	(8,487)	(2,847)	(5,623)	(1,022)	(5,003)
Office Furniture & Equip	15	309,092	176,461	51,278	30,044	10,076	19,906	3,616	17,711
Comp & Periph Equip	15	87,990	50,233	14,598	8,553	2,868	5,667	1,029	5,042
Computer Software	15	25,490	14,552	4,229	2,478	831	1,642	298	1,461
Comp Software Personal	15	27,216	15,538	4,515	2,645	887	1,753	318	1,559
Data Handling Equipment	15	22,776	13,003	3,779	2,214	742	1,467	266	1,305
Other Office Equipment	15	174,134	99,413	28,889	16,926	5,677	11,214	2,037	9,978
Trans Equip Lt Duty Trks	15	364,864	208,301	60,531	35,465	11,895	23,497	4,269	20,907
Trans Equip Hvy Duty Trks	15	112,816	64,407	18,716	10,966	3,678	7,265	1,320	6,464
Trans Equip Autos	15	64,298	36,708	10,667	6,250	2,096	4,141	752	3,684
Trans Equip Other	15	(242,443)	(138,411)	(40,221)	(23,565)	(7,904)	(15,613)	(2,837)	(13,892)
Stores Equipment	15	157,038	89,653	26,053	15,264	5,119	10,113	1,837	8,998
Tools, Shop, Garage Equip	15	515,646	294,382	85,546	50,121	16,810	33,208	6,033	29,547
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	315,128	130,715	66,240	57,889	15,252	41,881	473	2,679
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	165,062	94,234	27,384	16,044	5,381	10,630	1,931	9,458
Comm Equip Non-Telephone	15	8,839	5,046	1,466	859	288	569	103	506
Comm Equip Telephone	15	23,008	13,135	3,817	2,236	750	1,482	269	1,318
Misc Equipment	15	90,571	51,707	15,026	8,804	2,953	5,833	1,060	5,190
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		86,926,428	37,083,165	17,124,439	14,135,699	3,871,405	10,098,451	534,959	4,078,309
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	75,802	32,337	14,933	12,325	3,373	8,808	470	3,555
Cash Working Capital	15	0	0	0	0	0	0	0	0
Materials and Supplies	15	142,633	81,429	23,663	13,864	4,650	9,186	1,669	8,173
Prepayments	15	36,965	21,103	6,132	3,593	1,205	2,381	432	2,118
OPEB's Contributed to External Fund	16	331,481	188,944	55,556	32,386	10,972	21,082	3,679	18,861
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	429,802	183,354	84,671	69,886	19,126	49,943	2,665	20,158
Less:									
Accumulated Deferred ITC (3%)	17	(32,693)	(13,947)	(6,441)	(5,316)	(1,455)	(3,799)	(203)	(1,533)
Deferred Income Taxes	17	(5,119,563)	(2,184,006)	(1,008,554)	(832,441)	(227,821)	(594,893)	(31,741)	(240,108)
Pensions	16	(671,579)	(382,800)	(112,557)	(65,613)	(22,229)	(42,712)	(7,455)	(36,213)
Total Other Rate Base Elements		(4,807,152)	(2,073,585)	(942,596)	(771,316)	(212,178)	(550,005)	(30,483)	(226,989)
Total Original Cost Measure of Value		\$ 82,119,276	\$ 35,009,590	\$16,181,843	\$ 13,364,383	\$ 3,659,227	\$ 9,548,446	\$ 504,476	\$ 3,851,321

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990 - 2002

Year (1)	Average Daily Send Out (MGD) (2)	Maximum Daily Use		
		MGD (3)	Ratio to Average (4)	Highest Use Day (5)
1990	16.540	22.556	1.36	9/30/1990
1991	16.389	24.628	1.50	7/20/1991
1992	15.936	21.983	1.38	6/30/1992
1993	15.958	21.619	1.35	6/15/1993
1994	14.665	22.291	1.52	8/25/1994
1995	14.525	22.125	1.52	7/12/1995
1996	15.116	19.378	1.28	7/18/1996
1997	15.018	20.865	1.39	7/16/1997
1998	15.018	20.912	1.39	8/24/1998
1999	16.047	21.888	1.36	7/30/1999
2000	15.185	21.096	1.39	8/16/2000
2001	14.232	19.574	1.38	8/6/2001
2002	15.117	22.027	1.46	7/31/2002

**MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT**

**BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS**

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	4	16	
3 -inch	9.00	1	9	
4 -inch	16.00	61	976	
6 -inch	36.00	121	4,356	
8 -inch	64.00	77	4,928	
10 -inch	100.00	10	1,000	
12 -inch	144.00	8	1,152	
Private Hydrants	32.75	63	2,063	
Total Private Fire Protection		345	14,500	0.1498
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	0	0
6" Valve	2- 2-1/2" & 1- 4"	28.50	2,888	82,308
Total Public Fire Protection		2,888	82,308	0.8502
Total Fire Protection		3,233	96,808	1.0000

ST. LOUIS COUNTY DISTRICT

PART II. COST OF SERVICE BY CUSTOMER CLASSIFICATION

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2002

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Rate A	\$ 110,858,599	84.7%	\$ 98,847,782	85.8%	\$ 110,521,609	84.5%	\$ 11,673,827	11.8%
Rate B	2,235,027	1.7%	1,981,833	1.7%	2,235,354	1.7%	253,521	12.8%
Rate J	7,878,664	6.0%	7,069,350	6.1%	7,878,415	6.0%	809,065	11.4%
Rate D	197,640	0.2%	183,425	0.2%	197,010	0.2%	13,585	7.4%
Other	-	0.0%	-	0.0%	-	0.0%	-	
Rate F	896,523	0.7%	1,226,254	1.1%	1,233,931	0.9%	7,677	0.6%
Rate E	8,709,940	6.7%	5,936,547	5.1%	8,709,939	6.7%	2,773,392	46.7%
Total Sales	130,776,393	100.0%	115,245,191	100.0%	130,776,258	100.0%	15,531,067	13.5%
Other Revenues	2,319,115		2,319,115		2,319,115		-	0.0%
Total	\$ 133,095,508		\$ 117,564,306		\$ 133,095,373		\$ 15,531,067	13.2%

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	19,965	17,200	639	2,020	54	0	10	42
Labor & Exp Oper SS	2	79,302	68,319	2,538	8,025	214	0	40	167
Purchased Water	1	206,302	168,879	7,365	28,346	722	0	186	805
TOTAL SS EXPENSE - OPERATION		305,569	254,397	10,542	38,392	990	0	235	1,013
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	150	129	5	15	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	15,758	13,576	504	1,595	43	0	8	33
Struct & Improve Maint SS	2	1,882	1,621	60	190	5	0	1	4
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	58,082	50,038	1,859	5,878	157	0	29	122
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	654	563	21	66	2	0	0	1
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	37,948	32,692	1,214	3,840	102	0	19	80
Misc Plant Maint SS	2	197,562	170,200	6,322	19,993	533	0	99	415
TOTAL SS EXPENSE - MAINTENANCE		312,036	268,819	9,985	31,578	842	0	156	655
TOTAL SS EXPENSE		617,605	523,216	20,527	69,970	1,833	0	391	1,668
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	154	131	5	15	0	0	0	2
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	6,717	5,724	212	673	18	0	15	75
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	6,077,030	4,974,657	216,950	834,984	21,270	0	5,469	23,700
Labor & Exp Oper Pump	6	1,274,555	1,086,048	40,276	127,710	3,441	0	2,804	14,275
Labor & Exp Oper Pump	6	149	127	5	15	0	0	0	2
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	103,046	87,805	3,256	10,325	278	0	227	1,154
Rents Oper P	6	39,923	34,018	1,262	4,000	108	0	88	447
TOTAL PUMPING EXPENSE - OPERATION		7,501,574	6,188,511	261,966	977,723	25,116	0	8,603	39,655

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
TOTAL PUMPING EXPENSES - MAINTENANCE									
Super & Eng Maint P	6	31,217	26,600	986	3,128	84	0	69	350
Struct & Improve Maint P	6	424,461	361,683	13,413	42,531	1,146	0	934	4,754
Power Prod Equip Maint P	6	293,589	250,167	9,277	29,418	793	0	646	3,288
Pump Equip Maint P	6	6,666	5,680	211	668	18	0	15	75
Pump Equip Maint P	6	16,907	14,406	534	1,694	46	0	37	189
TOTAL PUMPING EXPENSES - MAINTENANCE		772,840	658,537	24,422	77,439	2,087	0	1,700	8,656
TOTAL PUMPING EXPENSES									
		8,274,414	6,847,048	286,387	1,055,162	27,203	0	10,304	48,311
WATER TREATMENT									
Super & Eng Oper WT	2	419,447	361,354	13,422	42,448	1,133	0	210	881
Chemicals	1	4,003,191	3,277,012	142,914	550,038	14,011	0	3,603	15,612
Labor & Exp Oper WT	2	1,761,816	1,517,804	56,378	178,296	4,757	0	881	3,700
Labor & Exp Oper WT	2	149,800	128,880	4,787	15,140	404	0	75	314
Misc Exp Oper WT	2	60,070	51,750	1,922	6,079	162	0	30	126
Misc Exp Oper WT	1	407,736	333,773	14,556	56,023	1,427	0	367	1,590
Misc Exp Oper WT	2	50,710	43,687	1,623	5,132	137	0	25	106
Rents Oper WT	2	121,257	104,463	3,880	12,271	327	0	61	255
TOTAL WT EXPENSE - OPERATION		6,973,827	5,818,723	239,483	865,427	22,358	0	5,251	22,585
Super & Eng Maint WT									
Struct & Improve Maint WT	2	30,862	26,588	988	3,123	83	0	15	65
Struct & Improve Maint WT	2	95,969	82,677	3,071	9,712	259	0	48	202
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	726,832	626,166	23,259	73,555	1,962	0	363	1,526
WT Equip Maint WT	2	276,566	238,262	8,850	27,988	747	0	138	581
TOTAL WT EXPENSE - MAINTENANCE		1,130,229	973,692	36,167	114,379	3,052	0	565	2,373
TOTAL WT EXPENSE		8,104,056	6,792,415	275,650	979,806	25,410	0	5,816	24,958
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	1,147,933	1,048,866	5,969	30,765	574	0	14,923	46,836
Storage Facility Exp	5	11,503	8,891	319	961	28	0	202	1,103
Storage Facility Exp	5	941	727	26	79	2	0	17	90
TD Lines Exp	7	575,829	521,010	3,455	15,605	288	0	5,528	29,943
TD Lines Exp	9	2,180,753	1,973,145	13,085	59,098	1,090	0	20,935	113,399
Meter Expense	9	503,476	477,597	1,410	18,880	252	0	5,337	0
Meter Expense	9	0	0	0	0	0	0	0	0
Customer Install Exp	10	273,073	258,546	27	573	0	0	13,927	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	187,025	170,885	973	5,012	94	0	2,431	7,631
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	316,258	288,965	1,645	8,476	158	0	4,111	12,903
Rents Oper TD	11	12,646	11,555	66	339	6	0	164	516
TOTAL T & D EXPENSE OPERATION		5,209,437	4,760,187	26,973	139,788	2,492	0	67,576	212,421

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
Super & Eng Maint TD	12	285,939	236,872	1,373	6,891	114	0	3,231	37,458
Struct & Improve Maint TD	12	32,097	26,589	154	774	13	0	363	4,205
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	3,442	2,860	95	287	8	0	61	330
TD Main Maint TD	7	113	102	1	3	0	0	1	6
TD Main Maint TD	7	3,432,317	3,105,560	20,594	93,016	1,716	0	32,950	178,480
Fire Main Maint TD	8	47	0	0	0	0	0	0	47
Services Maint TD	10	271,694	257,240	27	571	0	0	13,856	0
Services Maint TD	10	2,088	1,977	0	4	0	0	106	0
Meters Maint TD	9	392,887	372,893	1,100	14,733	196	0	4,165	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	412,465	0	0	0	0	0	0	412,465
Hydrants Maint TD	8	63	0	0	0	0	0	0	63
Misc Plant Maint TD	12	3,695,478	3,061,334	17,738	89,061	1,478	0	41,759	484,108
Mat and Sup Maint TD	12	1,378,923	1,142,300	6,619	33,232	552	0	15,582	180,639
Misc Maint TD	12	(14,656)	(12,141)	(70)	(353)	(6)	0	(166)	(1,920)
Amort Def Maint TD	5	543,553	420,112	15,056	45,387	1,305	0	9,567	52,127
Permits TD	12	50,202	41,588	241	1,210	20	0	567	6,576
TOTAL T & D EXPENSE - MAINTENANCE		10,486,652	8,656,886	62,928	284,816	5,397	0	122,042	1,354,584
TOTAL T & D EXPENSE		15,696,089	13,417,073	89,901	424,603	7,888	0	189,618	1,567,005
CUSTOMER ACCOUNTS									
Supervision CA	13	34,206	33,813	0	27	0	0	366	0
Meter Reading Exp CA	14	1,127,324	1,126,422	0	902	0	0	0	0
Meter Reading Exp CA	14	596	596	0	0	0	0	0	0
Meter Reading Exp CA	14	17	17	0	0	0	0	0	0
Cust Rec & Collection CA	13	258,008	255,041	0	206	0	0	0	0
Cust Rec & Collection CA	13	724,864	716,528	0	580	0	0	2,761	0
Uncollectible Accts	13	955,626	944,636	0	765	0	0	7,756	0
Misc Cust Accts Exp CA	13	74,463	73,607	0	60	0	0	10,225	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	797	0
Misc Cust Accts Exp CA	13	109,006	107,752	0	87	0	0	0	0
Cust Serv & Info Exp CA	13	4,278	4,229	0	3	0	0	1,166	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		3,288,388	3,262,640	0	2,631	0	0	23,117	0

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	4,893,305	4,274,302	56,273	205,519	4,893	0	42,572	309,746
Other Supplies & Exp AG	15	663	579	8	28	1	0	6	42
Other Supplies & Exp AG	15	971,768	848,839	11,175	40,814	972	0	8,454	61,513
Other Supplies & Exp AG	15	965,785	843,613	11,107	40,563	966	0	8,402	61,134
Mgmt Fees-Corporate/Shared Service Center	15	3,644,675	3,183,624	41,914	153,076	3,645	0	31,709	230,708
Mgmt Fees-Call Center	13	3,005,950	2,971,382	0	2,405	0	0	32,164	0
Mgmt Fees-Belleveille Lab	2	544,745	469,298	17,432	55,128	1,471	0	272	1,144
Mgmt Fees- Financial ITS	15	316,836	276,756	3,644	13,307	317	0	2,756	20,056
Mgmt Fees- Customer Billings ITS	13	1,788,773	1,768,202	0	1,431	0	0	19,140	0
Mgmt Fees-Other ITS	15	20,129	17,583	231	845	20	0	175	1,274
Outside Services AG	15	1,129,857	986,930	12,993	47,454	1,130	0	9,830	71,520
Outside Services AG	15	546,272	477,168	6,282	22,943	546	0	4,753	34,579
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	872,747	762,345	10,037	36,655	873	0	7,593	55,245
Ins Work Comp AG	16	434,967	374,115	5,698	20,530	478	0	3,567	30,578
Ins Other Oper AG	15	648,105	566,120	7,453	27,220	648	0	5,639	41,025
Property Insurance	15	0	0	0	0	0	0	0	0
Injuries & Damages	16	37,328	32,106	489	1,762	41	0	306	2,624
Employee Pension & Benefits	16	4,559,017	3,921,211	59,723	215,186	5,015	0	37,384	320,499
Employee Pension & Benefits	16	3,195,807	2,748,714	41,865	150,842	3,515	0	26,206	224,665
Employee Pension & Benefits	16	860,757	740,337	11,276	40,628	947	0	7,058	60,511
Reg Commission Exp	15	205,518	179,520	2,363	8,632	206	0	1,788	13,009
Rentis AG	15	839,736	733,509	9,657	35,269	840	0	7,306	53,155
Goodwill Advertising Exp	15	24,288	21,216	279	1,020	24	0	211	1,537
Misc Exp AG	15	(584,337)	(510,418)	(6,720)	(24,542)	(584)	0	(5,084)	(36,989)
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		28,922,691	25,687,049	303,180	1,096,716	25,963	0	252,206	1,557,577
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	136,791	119,487	1,573	5,745	137	0	1,190	8,659
TOTAL A & G EXPENSE - MAINTENANCE		136,791	119,487	1,573	5,745	137	0	1,190	8,659
TOTAL A & G EXPENSE		29,059,482	25,806,536	304,753	1,102,462	26,100	0	253,396	1,566,236
Total Operation & Maintenance Expenses		65,040,034	56,648,929	977,218	3,634,633	88,433	0	482,642	3,208,179

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	248,607	214,175	7,955	25,159	671	0	124	522
Struct & Imp P	6	4,839	4,123	153	485	13	0	11	54
Struct & Imp Pumps (STL)	6	237,947	202,755	7,519	23,842	642	0	523	2,665
Struct & Imp Pump Boosters	6	102,830	87,621	3,249	10,304	278	0	226	1,152
Struct & Imp WT	2	24,246	20,888	776	2,454	65	0	12	51
Struct & Imp WT Nth Plt (ST)	2	167,642	144,424	5,365	16,965	453	0	84	352
Struct & Imp WT Ctrl Plt 1	2	118,433	102,030	3,790	11,985	320	0	59	249
Struct & Imp WT Ctrl Plt 3	2	921,018	793,457	29,473	93,207	2,487	0	461	1,934
Struct & Imp WT Sth Plt (ST)	2	118,161	101,796	3,781	11,958	319	0	59	248
Struct & Imp WT Meramec (ST)	2	321,314	276,812	10,282	32,517	868	0	161	675
Struct & Imp TD	7	135,598	122,689	814	3,675	68	0	1,302	7,051
Struct & Imp TD Spec Cross	7	34,884	31,382	208	940	17	0	333	1,804
Struct & Imp Offices	15	3,228	2,820	37	136	3	0	28	204
Struct & Imp Leasehold	15	73,099	63,852	841	3,070	73	0	636	4,627
Struct & Imp Leasehold	15	62,940	54,978	724	2,643	63	0	548	3,984
Struct & Imp Store, Shop, Gar	15	3,836	3,351	44	161	4	0	33	243
Struct & Imp Misc	15	41,269	36,048	475	1,733	41	0	359	2,612
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Plt (STL)	2	10,540	9,080	337	1,067	28	0	5	22
Supply Mains Ctrl Plt (STL)	2	144,053	124,102	4,610	14,578	389	0	72	303
Supply Mains Sth Plt (STL)	2	15,112	13,019	484	1,529	41	0	8	32
Supply Mains Meramec Plt (S)	2	43,769	37,707	1,401	4,429	118	0	22	92
Power Generation Equip Other	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	3,261	2,779	103	327	9	0	7	37
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	955,954	814,568	30,208	95,787	2,581	0	2,103	10,707
Pump Equip Elec Boosters Po	6	77,565	66,093	2,451	7,772	209	0	171	869
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	68,590	58,446	2,167	6,873	185	0	151	768
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	20,476	17,640	655	2,072	55	0	10	43
WT Equip Non-Med North (STL)	2	375,708	323,672	12,023	38,022	1,014	0	188	789
WT Equip Non Media Ctrl 1 &	2	201,763	173,819	6,456	20,418	545	0	101	424
WT Equip Non Media Ctrl 3 (	2	1,021,636	880,139	32,692	103,390	2,758	0	511	2,145
WT Equip Non Media Sth (STL)	2	160,311	138,108	5,130	16,223	433	0	80	337
WT Equip Non Media Mer (STL)	2	330,143	284,418	10,565	33,410	891	0	165	693
WT Equip Filter Media	2	817	704	26	83	2	0	0	2

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	104,489	80,760	2,894	8,725	251	0	1,839	10,020
Ground Level Facilities	5	274,986	212,537	7,617	22,961	660	0	4,840	26,371
TD Mains Not Classified by	7	0	0	0	0	0	0	0	0
TD Mains 4 & Less	4	0	0	0	0	0	0	0	0
TD Mains 6 to 8"	4	0	0	0	0	0	0	0	0
TD Mains 10 to 16"	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL)	4	60,068	55,437	0	607	0	0	625	3,400
TD Mains CI <10 1900-28 (S")	4	131,206	121,090	0	1,325	0	0	1,365	7,426
TD Mains CI <10 1929-56 (S")	4	833,069	768,839	0	8,414	0	0	8,664	47,152
TD Mains CI <10 1957-93 (S")	4	2,472,090	2,281,492	0	24,968	0	0	25,710	139,920
TD Mains CI 12 (STL)	3	392,087	325,354	12,076	38,268	1,059	0	2,431	12,900
TD Mains CI 16 (STL)	3	481,659	399,681	14,835	47,010	1,300	0	2,986	15,847
TD Mains DI 6-8 (STL)	4	3,192,553	2,946,407	0	32,245	0	0	33,203	180,698
TD Mains DI 12 (STL)	3	1,145,157	950,251	35,271	111,767	3,092	0	7,100	37,676
TD Mains DI 16 & >(STL)	3	1,555,228	1,290,528	47,901	151,790	4,199	0	9,642	51,167
TD Mains Galve 1 (STL)	4	7,800	7,199	0	79	0	0	81	441
TD Mains LJ 20 (STL)	3	81,650	67,753	2,515	7,969	220	0	506	2,686
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	1,423	1,347	0	3	0	0	73	0
Meters Bronze Case	9	(125,956)	(119,482)	(353)	(4,723)	(63)	0	(1,335)	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	612,232	580,763	1,714	22,959	306	0	6,490	0
Meters Other-Rem Rdr Units	9	129,825	123,152	364	4,868	65	0	1,376	0
Meter Installations	9	151,251	143,477	424	5,672	76	0	1,603	0
Meter Installation Other	9	239,396	227,091	670	8,977	120	0	2,538	0
Hydrants	8	805,580	0	0	0	0	0	0	805,580
Utility Plant Acquisition Adjustment	17	204,529	166,200	4,254	14,174	368	0	1,248	18,285
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	344,366	300,804	3,960	14,463	344	0	2,996	21,798
Comp & Periph Equip	15	561,107	490,127	6,453	23,566	561	0	4,882	35,518
Computer Software	15	86,125	75,230	990	3,617	86	0	749	5,452
Comp Software Personal	15	20,133	17,586	232	846	20	0	175	1,274
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	15,896	13,885	183	668	16	0	138	1,006
Trans Equip Lt Duty Trks	15	144,310	126,055	1,660	6,051	144	0	1,255	9,135
Trans Equip Hvy Duty Trks	15	524,923	458,520	6,037	22,047	525	0	4,567	33,228
Trans Equip Autos	15	122,265	106,798	1,406	5,135	122	0	1,064	7,739
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	4,968	4,340	57	209	5	0	43	314
Tools, Shop, Garage Equip	15	24,252	21,184	279	1,019	24	0	211	1,535
Tools, Shop, Garage Equip Oth	15	226,893	198,191	2,609	9,530	227	0	1,974	14,362

MISSOURI-AMERICAN WATER COMPANY
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COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
Laboratory Equipment	2	64,032	55,164	2,049	6,480	173	0	32	134
Laboratory Equip Other	2	30,529	26,301	977	3,090	82	0	15	64
Power Operated Equipment	15	68,538	59,868	788	2,879	69	0	596	4,338
Comm Equip Non-Telephone	15	55,713	48,665	641	2,340	56	0	485	3,527
Comm Equip Telephone	15	0	0	0	0	0	0	0	0
Misc Equipment	15	11,947	10,436	137	502	12	0	104	756
Other Tangible Property	17	2,526	2,053	53	175	5	0	15	226
Total Depreciation Expense		21,108,234	17,852,577	343,486	1,197,897	29,769	0	138,838	1,545,666
Amort-Other UP	18	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	514,755	436,306	8,802	31,040	772	0	3,552	34,283
Property Taxes	18	7,405,245	6,024,907	153,289	510,221	13,329	0	45,172	656,326
FUTA	16	22,711	19,534	298	1,072	25	0	186	1,597
FICA	16	1,420,772	1,222,006	18,612	67,060	1,563	0	11,650	99,880
SUTA	16	(7)	(6)	(0)	(0)	(0)	0	(0)	(0)
Other Taxes & Licenses	15	199,623	174,371	2,296	8,384	200	0	1,737	12,636
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		9,563,099	7,877,118	183,296	617,777	15,889	0	62,297	806,721
Income Taxes	18	10,821,634	8,804,482	224,008	745,611	19,479	0	66,012	962,043
Utility Income Available for Return	18	25,682,507	20,895,288	531,628	1,769,525	46,229	0	156,663	2,283,175
Total Cost of Service		132,215,508	112,078,393	2,259,636	7,965,443	199,799	0	906,452	8,805,785
Less: Other Water Revenues	19	(1,418,128)	(1,202,005)	(24,250)	(85,513)	(2,127)	0	(9,785)	(94,447)
Contract Sales	19	(900,987)	(763,677)	(15,407)	(54,330)	(1,351)	0	(6,217)	(60,006)
Revenue Contribution	19	880,000	745,888	15,048	53,064	1,320	0	6,072	58,608
Total Other Water Revenues		(1,439,115)	(1,219,794)	(24,609)	(86,779)	(2,159)	0	(9,930)	(95,845)
Total Cost of Service Related to Sales of Water		\$ 130,776,393	\$ 110,858,599	\$ 2,235,027	\$ 7,878,664	\$ 197,640	\$ -	\$ 896,523	\$ 8,709,940

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

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

<u>Customer Classification</u>	<u>Average Daily Consumption, Thousand Gallons</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Rate A	115,562	0.8186
Rate B	5,038	0.0357
Rate J	19,401	0.1374
Rate D	496	0.0035
Other	0	0.0000
Rate F	123	0.0009
Rate E	550	0.0039
Total	<u>141,170</u>	<u>1.0000</u>

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

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

<u>Customer Classification</u>	<u>Average Daily Consumption</u>		<u>Maximum Day Extra Capacity</u>		<u>Allocation Factor</u>
	<u>Allocation Factor 1</u>	<u>Weighted Factor</u>	<u>Allocation Factor</u>	<u>Weighted Factor</u>	
(1)	(2)	(3)=(2)x 0.5263	(4)	(5)=(4)x 0.4737	(6)=(3)+(5)
Rate A	0.8186	0.4308	0.9091	0.4307	0.8615
Rate B	0.0357	0.0188	0.0278	0.0132	0.0320
Rate J	0.1374	0.0723	0.0611	0.0289	0.1012
Rate D	0.0035	0.0018	0.0020	0.0009	0.0027
Other	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F	0.0009	0.0005			0.0005
Rate E	0.0039	0.0021			0.0021
Total	<u>1.0000</u>	<u>0.5263</u>	<u>1.0000</u>	<u>0.4737</u>	<u>1.0000</u>

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

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day (4)=(2)x(3)	Allocation Factor (5)
(1)	(2)	(3)	(4)	(5)
Rate A	115,562	1.0	115,562	0.9091
Rate B	5,038	0.7	3,527	0.0278
Rate J	19,401	0.4	7,760	0.0611
Rate D	496	0.5	248	0.0020
Other	0	0.0	0	0.0000
Total	140,497		127,097	1.0000

The weighting of the factors is based on the maximum day ratio of 1.90, based on a review of maximum day ratios experienced during the period 1999 through 2002 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5263
Maximum Day Extra Capacity	0.90	0.4737
Total	1.90	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

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

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

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

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.5071	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.4563	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0366	
Rate A	0.8186	0.4150	0.9091	0.4148			0.8298
Rate B	0.0357	0.0181	0.0278	0.0127			0.0308
Rate J	0.1374	0.0697	0.0611	0.0279			0.0976
Rate D	0.0035	0.0018	0.0020	0.0009			0.0027
Other	0.0000	0.0000	0.0000	0.0000			0.0000
Rate F	0.0009	0.0005			0.1549	0.0057	0.0062
Rate E	0.0039	0.0020			0.8451	0.0309	0.0329
Total	1.0000	0.5071	1.0000	0.4563	1.0000	0.0366	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.90 and the average daily system sendout for 2002 of 166.256 MGD. The system demand for fire protection is 20,000 Gallons per minute for 10 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	166,256,000	0.5071
Maximum Day Extra Capacity	<u>0.90</u>	<u>149,630,400</u>	<u>0.4563</u>
Subtotal	<u>1.90</u>	315,886,400	0.9634
Fire Protection		<u>12,000,000</u>	<u>0.0366</u>
Total		<u>327,886,400</u>	<u>1.0000</u>

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

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

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

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

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3741	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.5611		Allocation Factor (7)	Weighted Factor (8)=(7) X 0.0648	Allocation Factor (9)=(4)+(6)+(8)
Rate A	4,815.1	0.9779	0.3658	0.9929	0.5571				0.9229
Rate B	0.0	0.0000	0.0000	0.0000	0.0000				0.0000
Rate J	80.8	0.0164	0.0061	0.0071	0.0040				0.0101
Rate D	0.0	0.0000	0.0000	0.0000	0.0000				0.0000
Other	0.0	0.0000	0.0000	0.0000	0.0000				0.0000
Rate F	5.1	0.0010	0.0004				0.1549	0.0100	0.0104
Rate E	22.9	0.0047	0.0018				0.8451	0.0548	0.0566
Total	4,923.9	1.0000	0.3741	1.0000	0.5611		1.0000	0.0648	1.0000

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

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.5 and the average daily system sendout for 2002 of 166.256 MGD. The system demand for fire protection is 20,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	115,456	0.3741
Maximum Hour Extra Capacity	<u>1.50</u>	<u>173,184</u>	<u>0.5611</u>
Subtotal	<u><u>2.50</u></u>	288,640	0.9352
Fire Protection		<u>20,000</u>	<u>0.0648</u>
Total		<u><u>308,640</u></u>	<u><u>1.0000</u></u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Rate A	4,815.1	3.5	16,852.9	0.9929
Rate B	0.0	2.5	0.0	0.0000
Rate J	80.8	1.5	121.3	0.0071
Rate D	0.0	2.0	0.0	0.0000
Other	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0000</u>
Total	<u><u>4,895.9</u></u>		<u><u>16,974.2</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3553	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.5329	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1118	Allocation Factor (9)=(4)+(6)+(8)	
Rate A	4,815.1	0.8186	0.2909	0.9045	0.4820				0.7729
Rate B	209.9	0.0357	0.0127	0.0282	0.0150				0.0277
Rate J	808.4	0.1374	0.0488	0.0651	0.0347				0.0835
Rate D	20.7	0.0035	0.0012	0.0022	0.0012				0.0024
Other	0.0	0.0000	0.0000	0.0000	0.0000				0.0000
Rate F	5.1	0.0009	0.0003			0.1549	0.0173		0.0176
Rate E	22.9	0.0039	0.0014			0.8451	0.0945		0.0959
Total	5,882.1	1.0000	0.3553	1.0000	0.5329	1.0000	0.1118		1.0000

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

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

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

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

$$\text{General Service Weight} = 1.0000 - 0.1118 = 0.8882$$

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

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	40.00	0.3553
Extra Capacity Maximum Hour	1.50	60.00	0.5329
Total	2.50	100.00	0.8882

Customer Classification	Average Hourly Consumption Thousand Gal. (1)	Maximum Hour Extra Capacity		Allocation Factor (5)
		1,000 Gallons Factor* (3)	Per Hour (4)=(2)x(3)	
Rate A	4,815.1	3.5	16,852.9	0.9045
Rate B	209.9	2.5	524.8	0.0282
Rate J	808.4	1.5	1,212.6	0.0651
Rate D	20.7	2.0	41.4	0.0022
Other	-	0.0	0.0	0.0000
Total	5,854.1		18,631.7	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

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

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.7064	(4)	(5)=(4)X 0.2936	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Rate A	0.8615	0.6085	0.8298	0.2436	0.9229	0.0000	0.8521
Rate B	0.0320	0.0226	0.0308	0.0090	0.0000	0.0000	0.0316
Rate J	0.1012	0.0715	0.0976	0.0287	0.0101	0.0000	0.1002
Rate D	0.0027	0.0019	0.0027	0.0008	0.0000	0.0000	0.0027
Other	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F	0.0005	0.0004	0.0062	0.0018	0.0104	0.0000	0.0022
Rate E	0.0021	0.0015	0.0329	0.0097	0.0566	0.0000	0.0112
Total	1.0000	0.7064	1.0000	0.2936	1.0000	0.0000	1.0000

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

	Horsepower of Pumps	Weight
Associated with Maximum Day	43,200	0.7064
Associated with Maximum Day and Fire	17,955	0.2936
Associated with Maximum Hour	0	0.0000
Total	61,155	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

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

Customer Classification (1)	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor (6)=(3)+(5)
	Allocation Factor 3 (2)	Weighted Factor (3)=(2)X 0.1943	Allocation Factor 4 (4)	Weighted Factor (5)=(4)X 0.8057	
Rate A	0.8298	0.1612	0.9229	0.7436	0.9048
Rate B	0.0308	0.0060	0.0000	0.0000	0.0060
Rate J	0.0976	0.0190	0.0101	0.0081	0.0271
Rate D	0.0027	0.0005	0.0000	0.0000	0.0005
Other	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F	0.0062	0.0012	0.0104	0.0084	0.0096
Rate E	0.0329	0.0064	0.0566	0.0456	0.0520
Total	<u>1.0000</u>	<u>0.1943</u>	<u>1.0000</u>	<u>0.8057</u>	<u>1.0000</u>

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

	Total Footage of Mains	Weight
Transmission Mains	4,219,634	0.1943
Distribution Mains	<u>17,501,698</u>	<u>0.8057</u>
Total	<u>21,721,332</u>	1.0000

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Rate E.

<u>Customer Classification</u> (1)	<u>Allocation Factor</u> (3)
Rate E	1.0000
Total	<u>1.0000</u>

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Rate A	402,300	0.9486
Rate B	1,200	0.0028
Rate J	15,902	0.0375
Rate D	227	0.0005
Other	0	0.0000
Rate F	<u>4,475</u>	<u>0.0106</u>
Total	<u>424,104</u>	<u>1.0000</u>

Schedule C-STL

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Rate A		Rate B		Rate J		Rate D		Other		Rate F		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(11)	Number of Meters (15)	Weighting (16)
5/8	1.0	305,765	305,765	0	0	5	5	0	0	0	0	38	38	305,808	305,808
3/4	1.2	17,253	20,704	0	0	2	2	0	0	0	0	2,095	2,514	19,350	23,220
1	1.9	4,255	8,085	0	0	4	8	0	0	0	0	30	57	4,289	8,150
1-1/2	5.0	1,462	7,310	0	0	14	70	0	0	0	0	5	25	1,481	7,405
2	6.5	2,185	14,203	0	0	64	416	0	0	0	0	23	150	2,272	14,769
3	36.6	193	7,064	0	0	53	1,940	0	0	0	0	5	183	251	9,187
4	78.8	100	7,880	0	0	68	5,358	1	79	0	0	6	473	175	13,790
6	147.8	78	11,528	0	0	36	5,321	1	148	0	0	7	1,035	122	18,032
8	193.1	70	13,517	0	0	10	1,931	0	0	0	0	0	0	80	15,448
10	283.8	22	6,244	0	0	3	851	0	0	0	0	0	0	25	7,095
12	400.0	0	0	3	1,200	0	0	0	0	0	0	0	0	3	1,200
Total		331,383	402,300	3	1,200	259	15,902	2	227	0	0	2,209	4,475	333,856	424,104

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Rate A	336,607	0.9468
Rate B	36	0.0001
Rate J	758	0.0021
Rate D	7	0.0000
Other	0	0.0000
Rate F	18,126	0.0510
Total	355,534	1.0000

Schedule C-STL

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Rate A		Rate B		Rate J		Rate D		Other		Rate F		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(11)	Number of Services (15)	Weighting (16)
3/4	1.00	323,018	323,018	0	0	7	7	0	0	0	0	0	0	323,025	323,025
1	1.17	4,255	4,978	0	0	4	5	0	0	0	0	0	0	4,259	4,983
1-1/2	1.58	1,462	2,310	0	0	14	22	0	0	0	0	0	0	1,476	2,332
2	2.04	2,185	4,457	0	0	64	131	0	0	0	0	113	231	2,362	4,819
3	2.73	193	527	0	0	53	145	0	0	0	0	0	0	246	672
4	2.88	100	288	0	0	68	196	1	3	0	0	463	1,333	632	1,820
6	4.24	78	331	0	0	36	153	1	4	0	0	1,812	7,683	1,927	8,171
8	6.98	70	489	0	0	10	70	0	0	0	0	1,099	7,671	1,179	8,230
10	9.50	22	209	0	0	3	29	0	0	0	0	44	418	69	656
12	12.16	0	0	3	36	0	0	0	0	0	0	65	790	68	826
Total		331,383	336,607	3	36	259	758	2	7	0	0	3,596	18,126	335,243	355,534

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

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

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Rate A	\$ 3,239,916	0.9137
Rate B	18,321	0.0052
Rate J	95,196	0.0268
Rate D	1,660	0.0005
Other	-	0.0000
Rate F	45,946	0.0130
Rate E	144,536	0.0408
	<u>3,545,575</u>	<u>1.0000</u>
Total	<u>3,545,575</u>	<u>1.0000</u>

**FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.**

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

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Rate A	\$ 3,740,232	0.8284
Rate B	21,817	0.0048
Rate J	108,614	0.0241
Rate D	1,921	0.0004
Other	-	0.0000
Rate F	51,139	0.0113
Rate E	591,391	0.1310
	<u>\$4,515,116</u>	<u>1.0000</u>
Total	<u>\$4,515,116</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Rate A	331,383	0.9885
Rate B	3	0.0000
Rate J	259	0.0008
Rate D	2	0.0000
Other	0	0.0000
Rate F	3,596	0.0107
Rate E	0	0.0000
Total	<u>335,243</u>	<u>1.0000</u>

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Rate A	331,383	0.9992
Rate B	3	0.0000
Rate J	259	0.0008
Rate D	2	0.0000
Other	0	0.0000
Total	<u>331,647</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

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

<u>Customer Classification</u> (1)	<u>Operation & Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Rate A	\$22,088,072	0.8735
Rate B	290,681	0.0115
Rate J	1,062,780	0.0420
Rate D	24,903	0.0010
Other	0	0.0000
Rate F	219,621	0.0087
Rate E	<u>1,600,235</u>	<u>0.0633</u>
 Total	 <u><u>\$25,286,293</u></u>	 <u><u>1.0000</u></u>

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Rate A	\$16,671,160	0.8601
Rate B	254,649	0.0131
Rate J	915,508	0.0472
Rate D	21,991	0.0011
Other	0	0.0000
Rate F	158,345	0.0082
Rate E	1,363,347	0.0703
Total	<u>\$19,384,999</u>	<u>1.0000</u>

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

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

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Rate A	\$264,208,467	0.8126
Rate B	6,767,472	0.0208
Rate J	22,534,851	0.0693
Rate D	588,928	0.0018
Other	0	0.0000
Rate F	1,968,792	0.0061
Rate E	29,050,978	0.0894
Total	<u>\$325,119,487</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

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

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Rate A	\$251,729,505	0.8136
Rate B	6,402,696	0.0207
Rate J	21,331,161	0.0689
Rate D	557,647	0.0018
Other	0	0.0000
Rate F	1,884,178	0.0061
Rate E	27,522,609	0.0889
Total	<u>\$309,427,796</u>	<u>1.0000</u>

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

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

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Rate A	\$111,462,567	0.8476
Rate B	2,248,470	0.0171
Rate J	7,925,772	0.0603
Rate D	198,821	0.0015
Other	0	0.0000
Rate F	901,113	0.0069
Rate E	8,758,493	0.0666
Total	<u>\$131,495,235</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY

ST. LOUIS COUNTY DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Fire Protection Rate E (10)
RATE BASE									
Organization	17	\$ 470,880	\$ 382,637	\$ 9,794	\$ 32,632	\$ 848	\$ -	\$ 2,872	\$ 42,097
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	62,283	53,657	1,993	6,303	168	0	31	131
Land & Ld Rights P	6	284,588	242,497	8,993	28,516	768	0	626	3,187
Land & Ld Rights WT	2	1,279,228	1,102,055	40,935	129,458	3,454	0	640	2,686
Land & Ld Rights TD	7	4,010,027	3,628,272	24,060	108,672	2,005	0	38,496	208,521
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	3,562,869	3,069,412	114,012	360,562	9,620	0	1,781	7,482
Struct & Imp P	6	98,120	83,608	3,101	9,832	265	0	216	1,099
Struct & Imp Pumps (STL)	6	2,604,483	2,219,280	82,302	260,969	7,032	0	5,730	29,170
Struct & Imp Pump Boosters	6	2,130,802	1,815,656	67,333	213,506	5,753	0	4,688	23,865
Struct & Imp WT	2	671,233	578,267	21,479	67,929	1,812	0	336	1,410
Struct & Imp WT Nth Pit (ST)	2	1,642,801	1,415,273	52,570	166,251	4,436	0	821	3,450
Struct & Imp WT Ctrl Pit 1	2	749,280	645,505	23,977	75,827	2,023	0	375	1,573
Struct & Imp WT Sth Pit (ST)	2	11,730,712	10,106,008	375,383	1,187,148	31,673	0	5,865	24,634
Struct & Imp WT Meramec (ST)	2	974,370	839,420	31,180	98,606	2,631	0	487	2,046
Struct & Imp TD	2	4,589,884	3,954,185	146,876	464,496	12,393	0	2,295	9,639
Struct & Imp TD	7	2,580,509	2,334,845	15,483	69,932	1,290	0	24,773	134,186
Struct & Imp TD Spec Cross	7	35,570	32,184	213	964	18	0	341	1,850
Struct & Imp Offices	15	(54,713)	(47,792)	(629)	(2,298)	(55)	0	(476)	(3,463)
Struct & Imp Leasehold	15	287,821	251,412	3,310	12,088	288	0	2,504	18,219
Struct & Imp Leasehold	15	191,838	167,570	2,206	8,057	192	0	1,669	12,143
Struct & Imp Store,Shop,Gar	15	189,401	165,442	2,178	7,955	189	0	1,648	11,989
Struct & Imp Misc	15	1,021,792	892,535	11,751	42,915	1,022	0	8,890	64,679
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	8,522	7,342	273	862	23	0	4	18
Supply Mains Nth Pit (STL)	2	98,356	84,734	3,147	9,954	266	0	49	207
Supply Mains Ctrl Pit (STL)	2	2,297,399	1,979,209	73,517	232,497	6,203	0	1,149	4,825
Supply Mains Sth Pit (STL)	2	36,631	31,558	1,172	3,707	99	0	18	77
Supply Mains Meramec Pit (S)	2	712,411	613,742	22,797	72,096	1,924	0	356	1,496
Power Generation Equip Othe	6	266,614	227,182	8,425	26,715	720	0	587	2,986
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	105,716	90,081	3,341	10,593	285	0	233	1,184
Pump Equip Elec Pre46 (STL)	6	859,327	732,233	27,155	86,105	2,320	0	1,891	9,624
Pump Equip Elec Post46 (STL)	6	13,944,799	11,882,363	440,656	1,397,269	37,651	0	30,679	156,182
Pump Equip Elec Boosters Po	6	(261,411)	(222,748)	(8,261)	(26,193)	(706)	0	(575)	(2,928)
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman	6	207,946	177,191	6,571	20,836	561	0	457	2,329
Pump Equip Diesel Ctrl Pit	6	329,331	280,623	10,407	32,999	889	0	725	3,689
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	(12,190)	(10,387)	(385)	(1,221)	(33)	0	(27)	(137)

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Rate E (10)
WT Equip Non-Media	2	550,364	474,139	17,612	55,697	1,486	0	275	1,156
WT Equip Non-Med North (STL)	2	3,417,952	2,944,566	109,374	345,897	9,228	0	1,709	7,178
WT Equip Non Media Ctr 1 &	2	2,596,373	2,236,775	83,084	262,753	7,010	0	1,298	5,452
WT Equip Non Media Ctr 3 (	2	13,839,399	11,922,642	442,861	1,400,547	37,366	0	6,920	29,063
WT Equip Non Media Sth (STL)	2	865,721	745,819	27,703	87,611	2,337	0	433	1,818
WT Equip Non Media Mer (STL)	2	3,567,304	3,073,232	114,154	361,011	9,632	0	1,784	7,491
WT Equip Filter Media	2	24,861	21,418	796	2,516	67	0	12	52
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	1,959,023	1,514,129	54,265	163,578	4,702	0	34,479	187,870
Ground Level Facilities	5	5,322,434	4,113,709	147,431	444,423	12,774	0	93,675	510,421
TD Mains Not Classified by	7	0	0	0	0	0	0	0	0
TD Mains 4 & Less "	4	0	0	0	0	0	0	0	0
TD Mains 6 to 8" "	4	0	0	0	0	0	0	0	0
TD Mains 10 to 16" "	3	0	0	0	0	0	0	0	0
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	298,643	275,618	0	3,016	0	0	3,106	16,903
TD Mains CI <10 1900-28 (S"	4	1,474,645	1,360,950	0	14,894	0	0	15,336	83,465
TD Mains CI <10 1929-56 (S"	4	3,793,510	3,501,030	0	38,314	0	0	39,453	214,713
TD Mains CI <10 1957-93 (S"	4	23,377,726	21,575,303	0	236,115	0	0	243,128	1,323,179
TD Mains CI 12 (STL) "	3	7,678,848	6,371,908	236,509	749,456	20,733	0	47,609	252,634
TD Mains CI 16 (STL) "	3	8,779,687	7,285,384	270,414	856,897	23,705	0	54,434	288,852
TD Mains DI 6-8 (STL) "	4	26,478,241	24,436,768	0	267,430	0	0	275,374	1,498,668
TD Mains DI 12 (STL) "	3	35,158,651	29,174,649	1,082,886	3,431,484	94,928	0	217,984	1,156,720
TD Mains DI 16 & >(STL) "	3	69,987,389	58,075,535	2,155,612	6,830,769	188,966	0	433,922	2,302,585
TD Mains Galve 1 (STL) "	4	(42,053)	(38,811)	0	(425)	0	0	(437)	(2,380)
TD Mains LJ 20 (STL) "	3	2,667,816	2,213,754	82,169	260,379	7,203	0	16,540	87,771
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	5,721	5,417	1	12	0	0	292	0
Meters Bronze Case	9	(3,513,926)	(3,333,310)	(9,839)	(131,772)	(1,757)	0	(37,248)	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	11,155,422	10,582,033	31,235	418,328	5,578	0	118,247	0
Meters Other-Rem Rdr Units	9	1,358,690	1,288,853	3,804	50,951	679	0	14,402	0
Meter Installations	9	1,623,499	1,540,051	4,546	60,881	812	0	17,209	0
Meter Installation Other	9	2,592,732	2,459,466	7,260	97,227	1,296	0	27,483	0
Hydrants	8	18,855,268	0	0	0	0	0	0	18,855,268
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	214,377	187,258	2,465	9,004	214	0	1,865	13,570
Office Furniture & Equip	15	6,479,070	5,659,468	74,509	272,121	6,479	0	56,368	410,125
Comp & Periph Equip	15	9,541,396	8,334,409	109,726	400,739	9,541	0	83,010	603,970
Computer Software	15	520,202	454,396	5,982	21,848	520	0	4,526	32,929
Comp Software Personal	15	117,461	102,602	1,351	4,933	117	0	1,022	7,435
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	131,530	114,891	1,513	5,524	132	0	1,144	8,326

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A (4)	Rate B (5)	Rate J (6)	Rate D (7)	Other (8)	Rate F (9)	Fire Protection Rate E (10)
Trans Equip Lt Duty Trks	15	(604,958)	(528,343)	(6,956)	(25,404)	(605)	0	0	(38,288)
Trans Equip Hwy Duty Trks	15	3,004,808	2,624,700	34,555	126,202	3,005	0	26,142	190,204
Trans Equip Autos	15	(76,343)	(66,686)	(878)	(3,206)	(76)	0	(664)	(4,833)
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	428,197	374,030	4,924	17,984	428	0	3,725	27,105
Tools, Shop, Garage Equip	15	(75,015)	(65,526)	(863)	(3,151)	(75)	0	(653)	(4,748)
Tools, Shop, Garage Equip Oth	15	2,590,101	2,262,453	29,786	108,784	2,590	0	22,534	163,953
Laboratory Equipment	2	481,341	414,675	15,403	48,712	1,300	0	241	1,011
Laboratory Equip Other	2	102,549	88,346	3,282	10,378	277	0	51	215
Power Operated Equipment	15	361,365	315,652	4,156	15,177	361	0	3,144	22,874
Comm Equip Non-Telephone	15	507,853	443,610	5,840	21,330	508	0	4,418	32,147
Comm Equip Telephone	15	21,561	18,834	248	906	22	0	188	1,365
Misc Equipment	15	263,603	230,257	3,031	11,071	264	0	2,293	16,686
Other Tangible Property	17	(11,000)	(8,939)	(229)	(762)	(20)	0	(67)	(983)
Total Utility Plant in Service		325,579,367	264,582,166	6,777,037	22,566,720	589,755	0	1,971,597	29,092,091
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	7,344,993	5,968,541	152,776	509,008	13,221	0	44,804	656,642
Cash Working Capital	15	7,313,000	6,387,906	84,100	307,146	7,313	0	63,623	462,913
Materials and Supplies	15	2,295,953	2,005,515	26,403	96,430	2,296	0	19,975	145,334
Prepayments	15	390,340	340,962	4,489	16,394	390	0	3,396	24,709
OPEB's Contributed to External Fund	16	0	0	0	0	0	0	0	0
Premium Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	3,109,844	2,527,059	64,685	215,512	5,598	0	18,970	278,020
Less: Accumulated Amortization	17	0	0	0	0	0	0	0	0
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(29,514,088)	(23,983,148)	(613,893)	(2,045,326)	(53,125)	0	(180,036)	(2,638,559)
Pensions	16	(7,091,613)	(6,099,496)	(92,900)	(334,724)	(7,801)	0	(58,151)	(498,540)
Total Other Rate Base Elements		(16,151,571)	(12,852,661)	(374,341)	(1,235,560)	(32,106)	0	(87,419)	(1,569,482)
Total Original Cost Measure of Value		\$ 309,427,796	\$ 251,729,505	\$ 6,402,696	\$ 21,331,161	\$ 557,647	\$ -	\$ 1,884,178	\$ 27,522,609

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1999 - 2002

<u>Year</u> (1)	<u>Average Daily Send Out (MGD)</u> (2)	<u>Maximum Daily Use</u>		
		<u>MGD</u> (3)	<u>Ratio to Average</u> (4)	<u>Highest Use Day</u> (5)
1999	167.199	317.210	1.90	7/22/1999
2000	158.813	258.520	1.63	7/11/2000
2001	164.312	274.090	1.67	8/21/2001
2002	166.256	309.430	1.86	8/5/2002

**MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS COUNTY DISTRICT**

**BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS**

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	113	452	
3 -inch	9.00	-	0	
4 -inch	16.00	463	7,408	
6 -inch	36.00	1,812	65,232	
8 -inch	64.00	1,099	70,336	
10 -inch	100.00	44	4,400	
12 -inch	144.00	64	9,216	
20 -inch	400.00	1	400	
Private Hydrants	32.75	-	0	
Total Rate F		3,596	157,444	0.1549
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
6" Valve	2- 2-1/2" & 1- 4.5"	0	0	
6" Valve	2- 2-1/2" & 1- 4"	30,147	859,190	
Total Rate E		30,147	859,190	0.8451
Total Fire Protection		33,743	1,016,634	1.0000

WARRENSBURG DISTRICT

PART II. COST OF SERVICE BY CUSTOMER CLASSIFICATION

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2002

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 1,377,631	52.2%	\$ 1,261,389	52.1%	\$ 1,331,041	50.4%	\$ 69,652	5.5%
Commercial	404,487	15.3%	472,915	19.5%	427,627	16.2%	(45,288)	-9.6%
Industrial	70,882	2.7%	76,597	3.2%	70,548	2.7%	(6,049)	-7.9%
Public Authority	323,833	12.3%	347,552	14.4%	326,382	12.4%	(21,170)	-6.1%
Sales for Resale	182,701	6.9%	209,251	8.6%	182,861	6.9%	(26,390)	-12.6%
Private Fire Service	32,465	1.2%	53,450	2.2%	53,450	2.0%	-	0.0%
Public Fire Service	246,870	9.4%	-	0.0%	246,870	9.4%	246,870	-
Total Sales	2,638,868	100.0%	2,421,154	100.0%	2,638,779	100.0%	217,625	9.0%
Other Revenues	52,611		52,611		52,611		-	0.0%
Total	\$ 2,691,479		\$ 2,473,765		\$ 2,691,390		\$ 217,625	8.8%

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	5,339	2,464	1,067	224	958	608	3	15
Labor & Exp Oper SS	2	2,426	1,120	485	102	435	276	1	7
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		7,765	3,584	1,552	326	1,393	884	4	22
Misc Exp Oper SS	2	56,815	26,226	11,357	2,386	10,193	6,466	28	159
Misc Exp Oper SS	2	371	171	74	16	67	42	0	1
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	36	17	7	2	6	4	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	37	17	7	2	7	4	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	104	48	21	4	19	12	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	3,946	1,821	789	166	708	449	0	0
TOTAL SS EXPENSE - MAINTENANCE		61,309	28,300	12,256	2,575	10,999	6,977	31	11
TOTAL SS EXPENSE		69,074	31,885	13,808	2,901	12,392	7,861	35	193
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	1,088	501	217	45	195	123	1	6
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	19,843	8,499	4,044	998	3,633	2,560	16	93
Labor & Exp Oper Pump	6	594	273	118	25	106	67	1	4
Labor & Exp Oper Pump	6	25	12	5	1	4	3	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	46	21	9	2	8	5	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		21,596	9,305	4,393	1,071	3,947	2,758	17	104

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	55	25	11	2	10	6	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		55	25	11	2	10	6	0	0
TOTAL PUMPING EXPENSES		21,651	9,331	4,404	1,074	3,957	2,765	18	104
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	27,246	11,669	5,553	1,370	4,989	3,515	22	128
Labor & Exp Oper WT	2	27,311	12,607	5,459	1,147	4,900	3,108	14	76
Labor & Exp Oper WT	2	8,892	4,105	1,778	373	1,595	1,012	4	25
Misc Exp Oper WT	2	31,965	14,755	6,390	1,343	5,735	3,638	16	90
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	3,301	1,524	660	139	592	376	2	9
Rents Oper WT	2	10	5	2	0	2	1	0	0
TOTAL WT EXPENSE - OPERATION		98,725	44,664	19,841	4,373	17,812	11,649	58	328
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	4,458	2,058	891	187	800	507	2	12
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	6,971	3,218	1,394	293	1,251	793	3	20
WT Equip Maint WT	2	3,249	1,500	649	136	583	370	2	9
TOTAL WT EXPENSE - MAINTENANCE		14,678	6,775	2,934	616	2,633	1,670	7	41
TOTAL WT EXPENSE		113,403	51,440	22,776	4,989	20,445	13,319	65	369
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	380	182	52	8	42	21	11	62
Storage Facility Exp	5	74	24	10	2	9	5	3	21
Storage Facility Exp	5	435	142	59	11	53	31	17	123
TD Lines Exp	7	52,841	18,526	7,773	1,464	6,964	4,169	1,649	12,296
TD Lines Exp	7	11,571	4,057	1,702	321	1,525	913	361	2,693
Meter Expense	9	12,758	9,563	1,678	194	1,258	65	0	0
Meter Expense	9	298	223	39	5	29	2	0	0
Customer Install Exp	10	14,275	11,714	1,473	57	444	14	572	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	4,207	2,018	581	93	469	237	119	690

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Misc Exp Oper TD	11	43,241	20,743	5,967	960	4,921	2,439	1,219	7,092
Misc Exp Oper TD	11	7,589	3,640	1,047	168	846	428	214	1,245
Rents Oper TD	11	171	82	24	4	19	10	5	28
TOTAL T & D EXPENSE OPERATION		147,840	70,915	20,405	3,286	16,481	8,334	4,169	24,250
Super & Eng Maint TD	12	588	271	59	7	38	19	17	177
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	76	25	10	2	9	5	3	22
TD Main Maint TD	7	3,307	1,159	486	92	436	261	103	770
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	3,240	2,659	334	13	101	3	130	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	38	28	5	1	4	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	1,746	0	0	0	0	0	0	1,746
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	323	149	32	4	21	10	9	97
Mat and Sup Maint TD	12	83,842	38,601	8,342	1,065	5,483	2,691	2,356	25,304
Misc Maint TD	12	31	14	3	0	2	1	1	9
Amort Def Maint TD	5	20,156	6,571	2,731	492	2,445	1,433	766	5,718
TOTAL T & D EXPENSE - MAINTENANCE		113,347	49,477	12,003	1,676	8,339	4,424	3,384	33,843
TOTAL T & D EXPENSE		261,187	120,392	32,408	4,962	25,020	12,759	7,553	58,093
CUSTOMER ACCOUNTS									
Supervision CA	13	520	453	49	1	11	0	5	0
Meter Reading Exp CA	14	39,087	34,436	3,709	82	840	20	0	0
Meter Reading Exp CA	14	384	338	36	1	8	0	0	0
Meter Reading Exp CA	14	2,177	1,918	207	5	47	1	0	0
Cust Rec & Collection CA	13	2,285	1,993	215	5	49	1	23	0
Cust Rec & Collection CA	13	17,309	15,095	1,625	35	369	9	177	0
Uncollectible Accts	13	27,891	24,324	2,619	56	594	14	284	0
Misc Cust Accts Exp CA	13	4,346	3,790	408	9	93	2	44	0
Misc Cust Accts Exp CA	13	1,587	1,384	149	3	34	1	16	0
Misc Cust Accts Exp CA	13	7,639	6,662	717	15	163	4	78	0
Cust Serv & Info Exp CA	13	47	41	4	0	1	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		103,272	90,434	9,739	211	2,208	52	629	0

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	77,321	42,016	10,902	1,747	8,211	4,546	1,222	8,675
Other Supplies & Exp AG	15	2,633	1,431	371	60	280	155	42	295
Other Supplies & Exp AG	15	30,822	16,749	4,346	697	3,273	1,812	487	3,458
Other Supplies & Exp AG	15	16,588	9,014	2,339	375	1,762	975	262	1,861
Mgmt Fees-Corporate/Shared Service Center	15	69,708	37,879	9,829	1,575	7,403	4,099	1,101	7,821
Mgmt Fees-Call Center	13	57,492	50,139	5,398	115	1,225	29	586	0
Mgmt Fees-Belleville Lab	2	10,419	4,809	2,083	438	1,869	1,186	5	29
Mgmt Fees- Financial ITS	15	6,060	3,293	854	137	644	356	96	680
Mgmt Fees- Customer Billings ITS	13	34,212	29,836	3,213	68	729	17	349	0
Mgmt Fees-Other ITS	15	385	209	54	9	41	23	6	43
Outside Services AG	15	18,163	9,870	2,561	410	1,929	1,068	287	2,038
Property Insurance	15	169	92	24	4	18	10	3	19
Ins Gen Liab Oper AG	15	0	0	0	0	0	0	0	0
Ins Work Comp AG	16	14,451	7,853	2,038	327	1,535	850	228	1,621
Ins Other Oper AG	15	5,989	3,416	840	130	619	332	89	562
Property Insurance	15	11,955	6,496	1,686	270	1,270	703	189	1,341
Injuries & Damages	16	0	0	0	0	0	0	0	0
Employee Pension & Benefits	16	232	132	33	5	24	13	3	22
Employee Pension & Benefits	16	65,785	37,524	9,230	1,428	6,802	3,651	980	6,171
Employee Pension & Benefits	16	44,863	25,590	6,294	974	4,639	2,490	668	4,208
Reg Commission Exp	16	12,328	7,032	1,730	268	1,275	684	184	1,156
Rents AG	15	3,930	2,136	554	89	417	231	62	441
Goodwill Advertising Exp	15	15,318	8,324	2,160	346	1,627	901	242	1,719
Misc Exp AG	15	514	279	72	12	55	30	8	58
Research & Development	15	1,942	1,055	274	44	206	114	31	218
TOTAL A & G OPERATIONS	15	501,278	305,174	66,884	9,526	45,851	24,276	7,131	42,437
General Plant Maint AG	15	154	84	22	3	16	9	2	17
General Plant Maint AG	15	3,768	2,048	531	85	400	222	60	423
TOTAL A & G EXPENSE - MAINTENANCE		3,922	2,131	553	89	417	231	62	440
TOTAL A & G EXPENSE		505,200	307,305	67,437	9,614	46,268	24,506	7,193	42,877
Total Operation & Maintenance Expenses		1,073,787	610,786	150,572	23,751	110,289	61,261	15,492	101,637

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	770	355	154	32	138	88	0	2
Struct & Imp P	6	2,035	936	405	85	364	231	2	12
Struct & Imp WT	2	16,606	7,665	3,320	697	2,979	1,890	8	46
Struct & Imp TD	7	2,801	982	412	78	369	221	87	652
Struct & Imp Offices	15	3,417	1,857	482	77	363	201	54	383
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	12,706	5,865	2,540	534	2,279	1,446	6	36
Supply Mains	2	2,558	1,181	511	107	459	291	1	7
Power Generation Equip Othe	6	118	54	24	5	21	13	0	1
Pump Equip Electric	6	10,645	4,898	2,120	445	1,903	1,206	10	63
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	116,376	53,719	23,264	4,888	20,878	13,244	58	326
Dist Reservoirs & Standpipe	5	11,500	3,749	1,558	281	1,395	818	437	3,263
Elevated Tanks & Standpipes	5	1,271	414	172	31	154	90	48	361
Ground Level Facilities	5	280	91	38	7	34	20	11	79
TD Mains Not Classified by	7	7,889	2,766	1,160	219	1,040	622	246	1,836
TD Mains 4 & Less	4	790	261	108	20	97	57	29	218
TD Mains 6 to 8"	4	19,904	6,570	2,731	494	2,444	1,433	736	5,495
TD Mains 10 to 16"	3	10,936	4,785	2,071	435	1,859	1,179	72	535
TD Mains 18 & Grtr	3	0	0	0	0	0	0	0	0
Fire Mains	8	1,237	0	0	0	0	0	0	1,237
Services	10	30,409	24,954	3,138	122	946	30	1,219	0
Meters Bronze Case	9	17,084	12,806	2,247	260	1,684	87	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	11,564	8,668	1,521	176	1,140	59	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	33,590	25,179	4,417	511	3,312	171	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	8,025	0	0	0	0	0	0	8,025
Utility Plant Acquisition Adjustment	17	390	188	63	12	53	31	4	38
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	1,339	728	189	30	142	79	0	0
Comp & Periph Equip	15	1,575	856	222	36	167	93	25	150
Computer Software	15	1,550	842	219	35	165	91	24	174

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Comp Software Personal	15	384	209	54	9	41	23	6	43
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	19	10	3	0	2	1	0	2
Trans Equip Lt Duty Trks	15	4,390	2,386	619	99	466	258	69	493
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	448	243	63	10	48	26	7	50
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools, Shop, Garage Equip	15	770	418	109	17	82	45	12	86
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	5,644	2,605	1,128	237	1,013	642	3	16
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	992	539	140	22	105	58	16	111
Comm Equip Non-Telephone	15	650	353	92	15	69	38	10	73
Comm Equip Telephone	15	0	0	0	0	0	0	0	0
Misc Equipment	15	3,410	1,853	481	77	362	201	54	383
Other Tangible Property	15	1,501	816	212	34	159	88	24	168
Total Depreciation Expense		345,573	179,803	55,986	10,135	46,734	25,071	3,303	24,541
Amort-Other UP	18	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	10,831	5,654	1,660	291	1,329	751	133	1,013
Property Taxes	18	192,241	92,679	31,181	5,825	26,260	15,168	2,153	18,974
FUTA	16	332	189	47	7	34	18	5	31
FICA	16	19,290	11,003	2,706	419	1,995	1,071	287	1,809
SUTA	16	5	3	1	0	1	0	0	0
Other Taxes & Licenses	15	3,818	2,075	538	86	405	224	60	428
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		226,517	111,603	36,134	6,628	30,024	17,232	2,639	22,256
Income Taxes	18	287,863	138,779	46,691	8,722	39,322	22,712	3,224	28,412
Utility Income Available for Return	18	787,375	379,593	127,712	23,857	107,555	62,124	8,819	77,714
Total Cost of Service		2,721,116	1,420,564	417,095	73,094	333,924	188,401	33,476	254,560
Less: Other Water Revenues	19	(52,611)	(27,463)	(8,065)	(1,415)	(6,455)	(3,646)	(647)	(4,919)
Revenue Contribution	19	(29,637)	(15,471)	(4,543)	(797)	(3,636)	(2,054)	(365)	(2,771)
Total Other Water Revenues		(82,248)	(42,933)	(12,609)	(2,212)	(10,092)	(5,700)	(1,012)	(7,690)
Total Cost of Service Related to Sales of Water		\$ 2,638,868	\$ 1,377,631	\$ 404,487	\$ 70,882	\$ 323,833	\$ 182,701	\$ 32,465	\$ 246,870

**MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

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

Customer Classification (1)	Average Daily Consumption, Thousand Gallons (2)	Allocation Factor (3)
Residential	1,013	0.4283
Commercial	482	0.2038
Industrial	119	0.0503
Other Public Authority	433	0.1831
Sales for Resale	305	0.1290
Private Fire Protection	2	0.0008
Public Fire Protection	11	0.0047
Total	<u>2,365</u>	<u>1.0000</u>

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

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

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.5882	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.4118	
Residential	0.4283	0.2518	0.5095	0.2098	0.4616
Commercial	0.2038	0.1199	0.1942	0.0800	0.1999
Industrial	0.0503	0.0296	0.0302	0.0124	0.0420
Other Public Authority	0.1831	0.1077	0.1740	0.0717	0.1794
Sales for Resale	0.1290	0.0759	0.0921	0.0379	0.1138
Private Fire Protection	0.0008	0.0005			0.0005
Public Fire Protection	0.0047	0.0028			0.0028
Total	<u>1.0000</u>	<u>0.5882</u>	<u>1.0000</u>	<u>0.4118</u>	<u>1.0000</u>

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

Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day (4)=(2)x(3)	Allocation Factor (5)
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,013	1.0	1,013	0.5095
Commercial	482	0.8	386	0.1942
Industrial	119	0.5	60	0.0302
Other Public Authority	433	0.8	346	0.1740
Sales for Resale	305	0.6	183	0.0921
Total	<u>2,352</u>		<u>1,988</u>	<u>1.0000</u>

The weighting of the factors is based on the maximum day ratio of 1.70, based on a review of maximum day ratios experienced during the period 1990 through 2002 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5882
Maximum Day Extra Capacity	<u>0.70</u>	<u>0.4118</u>
Total	<u>1.70</u>	<u>1.0000</u>

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.5574	(4)	(5)=(4) X 0.3901	(6)	(7)=(6) X 0.0525	(8)=(3)+(5)+(7)
Residential	0.4283	0.2388	0.5095	0.1987			0.4375
Commercial	0.2038	0.1136	0.1942	0.0758			0.1894
Industrial	0.0503	0.0280	0.0302	0.0118			0.0398
Other Public Authority	0.1831	0.1021	0.1740	0.0679			0.1700
Sales for Resale	0.1290	0.0719	0.0921	0.0359			0.1078
Private Fire Protection	0.0008	0.0004			0.1178	0.0062	0.0066
Public Fire Protection	0.0047	0.0026			0.8822	0.0463	0.0489
Total	1.0000	0.5574	1.0000	0.3901	1.0000	0.0525	1.0000

Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY WARRENSBURG DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.70 and the average daily system sendout for 2002 of 2.548 MGD. The system demand for fire protection is 2,000 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,548,000	0.5574
Maximum Day Extra Capacity	<u>0.70</u>	<u>1,783,600</u>	<u>0.3901</u>
Subtotal	<u>1.70</u>	4,331,600	0.9475
Fire Protection		<u>240,000</u>	<u>0.0525</u>
Total		<u>4,571,600</u>	<u>1.0000</u>

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

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.2754	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4132	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.3114		
Residential	42.2	0.4279	0.1177	0.5141	0.2124			0.3301	
Commercial	20.1	0.2039	0.0562	0.1960	0.0810			0.1372	
Industrial	5.0	0.0507	0.0140	0.0261	0.0108			0.0248	
Other Public Authority	18.0	0.1826	0.0503	0.1754	0.0725			0.1228	
Sales for Resale	12.7	0.1288	0.0355	0.0884	0.0365			0.0720	
Private Fire Protection	0.1	0.0010	0.0003			0.1178	0.0367	0.0370	
Public Fire Protection	0.5	0.0051	0.0014			0.8822	0.2747	0.2761	
Total	98.6	1.0000	0.2754	1.0000	0.4132	1.0000	0.3114	1.0000	

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

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MISSOURI-AMERICAN WATER COMPANY WARRENSBURG DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.5 and the average daily system sendout for 2002 of 2.548 MGD. The system demand for fire protection is 2,000 gallons per minute.

	<u>Ratio</u>	<u>Rate of Flow, (GPM)</u>	<u>Weight</u>
Average Hour	1.00	1,769	0.2754
Maximum Hour Extra Capacity	<u>1.50</u>	<u>2,654</u>	<u>0.4132</u>
Subtotal	<u><u>2.50</u></u>	<u>4,423</u>	<u>0.6886</u>
Fire Protection		<u>2,000</u>	<u>0.3114</u>
Total		<u><u>6,423</u></u>	<u><u>1.0000</u></u>

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

<u>Customer Classification</u>	<u>Average Hourly Consumption Thousand Gal.</u>	<u>Maximum Hour Extra Capacity</u>		
		<u>Factor*</u>	<u>1,000 Gallons Per Hour</u>	<u>Allocation Factor</u>
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	42.2	3.5	147.7	0.5141
Commercial	20.1	2.8	56.3	0.1960
Industrial	5.0	1.5	7.5	0.0261
Other Public Authority	18.0	2.8	50.4	0.1754
Sales for Resale	<u>12.7</u>	<u>2.0</u>	<u>25.4</u>	<u>0.0884</u>
Total	<u><u>98.0</u></u>		<u><u>287.3</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection			Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation		Weighted		Allocation Factor (5)	Weighted		Allocation Factor (7)	
		Factor (3)	Factor (4)=(3) X 0.2720	Factor (6)=(5) X 0.4080	Factor (8)=(7) X 0.3200					
(1)										
Residential	42.2	0.4280	0.1163	0.5141	0.2097					0.3260
Commercial	20.1	0.2039	0.0555	0.1960	0.0800					0.1355
Industrial	5.0	0.0507	0.0138	0.0261	0.0106					0.0244
Other Public Authority	18.0	0.1826	0.0497	0.1754	0.0716					0.1213
Sales for Resale	12.7	0.1287	0.0350	0.0884	0.0361					0.0711
Private Fire Protection	0.1	0.0010	0.0003				0.1178	0.0377		0.0380
Public Fire Protection	0.5	0.0051	0.0014				0.8822	0.2823		0.2837
Total	98.6	1.0000	0.2720	1.0000	0.4080		1.0000	0.3200		1.0000

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

**MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

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

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

$$\text{Fire Protection Weight} = \frac{2,000 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{750,000 \text{ Gallons}} = 0.3200$$

$$\text{General Service Weight} : \quad 1.0000 \quad - \quad 0.3200 \quad = \quad 0.6800$$

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

	<u>Maximum Hour Ratio</u>	<u>Percent</u>	<u>Weight</u>
Average Hour	1.00	40.00	0.2720
Extra Capacity Maximum Hour	<u>1.50</u>	<u>60.00</u>	<u>0.4080</u>
Total	<u><u>2.50</u></u>	<u><u>100.00</u></u>	<u><u>0.6800</u></u>

**MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

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

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.9889	(4)	(5)=(4)X 0.0000	(6)	(7)=(6)X 0.0111	(8)=(3)+ (5)+(7)
Residential	0.4616	0.4565	0.4375	0.0000	0.3301	0.0036	0.4601
Commercial	0.1999	0.1977	0.1894	0.0000	0.1372	0.0015	0.1992
Industrial	0.0420	0.0415	0.0398	0.0000	0.0248	0.0003	0.0418
Other Public Authority	0.1794	0.1774	0.1700	0.0000	0.1228	0.0014	0.1788
Sales for Resale	0.1138	0.1125	0.1078	0.0000	0.0720	0.0008	0.1133
Private Fire Protection	0.0005	0.0005	0.0066	0.0000	0.0370	0.0004	0.0009
Public Fire Protection	0.0028	0.0028	0.0489	0.0000	0.2761	0.0031	0.0059
Total	1.0000	0.9889	1.0000	0.0000	1.0000	0.0111	1.0000

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

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	715	0.9889
Associated with Maximum Day and Fire	0	0.0000
Associated with Maximum Hour	<u>8</u>	<u>0.0111</u>
Total	<u>723</u>	<u>1.0000</u>

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MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

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

Customer Classification	Maximum Daily Consumption		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1908	(4)	(5)=(4)X 0.8092	(6)=(3)+(5)
Residential	0.4375	0.0835	0.3301	0.2671	0.3506
Commercial	0.1894	0.0361	0.1372	0.1110	0.1471
Industrial	0.0398	0.0076	0.0248	0.0201	0.0277
Other Public Authority	0.1700	0.0324	0.1228	0.0994	0.1318
Sales for Resale	0.1078	0.0206	0.0720	0.0583	0.0789
Private Fire Protection	0.0066	0.0013	0.0370	0.0299	0.0312
Public Fire Protection	0.0489	0.0093	0.2761	0.2234	0.2327
Total	1.0000	0.1908	1.0000	0.8092	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	95,346	0.1908
Distribution Mains	404,280	0.8092
Total	499,626	1.0000

**MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

<u>Customer Classification</u> (1)	<u>Allocation Factor</u> (3)
Public Fire Protection	<u>1.0000</u>
Total	<u><u>1.0000</u></u>

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	5,579	0.7496
Commercial	979	0.1315
Industrial	113	0.0152
Other Public Authority	734	0.0986
Sales for Resale	38	0.0051
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>7,443</u></u>	<u><u>1.0000</u></u>

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MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)
5/8	1.0	5,558	5,558	421	421	0	0	72	72	0	0	6,051	6,051
3/4	1.3	1	1	5	7	0	0	1	1	0	0	7	9
1	1.7	12	20	79	134	3	5	4	7	0	0	98	166
1-1/2	3.5	0	0	27	95	1	4	5	18	0	0	33	117
2	4.3	0	0	66	284	6	26	35	151	2	9	109	470
3	19.0	0	0	2	38	1	19	7	133	0	0	10	190
4	29.3	0	0	0	0	2	59	12	352	1	29	15	440
6	48.4	0	0	0	0	0	0	0	0	0	0	0	0
8	112.9	0	0	0	0	0	0	0	0	0	0	0	0
Total		5,571	5,579	600	979	13	113	136	734	3	38	6,323	7,443

**MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT**

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	5,573	0.8206
Commercial	701	0.1032
Industrial	27	0.0040
Other Public Authority	211	0.0311
Sales for Resale	7	0.0010
Private Fire Protection	<u>272</u>	<u>0.0401</u>
 Total	 <u><u>6,791</u></u>	 <u><u>1.0000</u></u>

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MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(11)	Number of Services (15)	Weighting (16)
3/4	1.00	5,559	5,559	426	426	0	0	73	73	0	0	0	0	6,058	6,058
1	1.17	12	14	79	92	3	4	4	5	0	0	0	0	98	115
1-1/2	1.58	0	0	27	43	1	2	5	8	0	0	0	0	33	53
2	2.04	0	0	66	135	6	12	35	71	2	4	2	4	111	226
3	2.73	0	0	2	5	1	3	7	19	0	0	1	3	11	30
4	2.88	0	0	0	0	2	6	12	35	1	3	15	43	30	87
6	4.24	0	0	0	0	0	0	0	0	0	0	27	114	27	114
8	6.98	0	0	0	0	0	0	0	0	0	0	14	98	14	98
10	9.50	0	0	0	0	0	0	0	0	0	0	1	10	1	10
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		5,571	5,573	600	701	13	27	136	211	3	7	60	272	6,383	6,791

**MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT**

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

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

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

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 44,250	0.4797
Commercial	12,734	0.1380
Industrial	2,052	0.0222
Other Public Authority	10,283	0.1115
Sales for Resale	5,199	0.0564
Private Fire Protection	2,601	0.0282
Public Fire Protection	15,133	0.1640
Total	<u>92,252</u>	<u>1.0000</u>

**FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION
AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.**

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

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 3,871	0.4604
Commercial	836	0.0995
Industrial	107	0.0127
Other Public Authority	550	0.0654
Sales for Resale	270	0.0321
Private Fire Protection	236	0.0281
Public Fire Protection	2,537	0.3018
Total	<u>\$8,407</u>	<u>1.0000</u>

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MISSOURI-AMERICAN WATER COMPANY WARRENSBURG DISTRICT

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

<u>Customer Classification</u>	<u>Total Customers</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Residential	5,571	0.8721
Commercial	600	0.0939
Industrial	13	0.0020
Other Public Authority	136	0.0213
Sales for Resale	3	0.0005
Private Fire Protection	65	0.0102
Public Fire Protection	0	0.0000
Total	6,388	1.0000

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

<u>Customer Classification</u>	<u>Total Metered Customers</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Residential	5,571	0.8810
Commercial	600	0.0949
Industrial	13	0.0021
Other Public Authority	136	0.0215
Sales for Resale	3	0.0005
Total	6,323	1.0000

**MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

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

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

<u>Customer Classification</u> (1)	<u>Operation & Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$283,313	0.5434
Commercial	73,538	0.1410
Industrial	11,768	0.0226
Other Public Authority	55,400	0.1062
Sales for Resale	30,681	0.0588
Private Fire Protection	8,261	0.0158
Public Fire Protection	58,538	0.1122
Total	\$521,498	1.0000

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MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$150,302	0.5704
Commercial	36,984	0.1403
Industrial	5,714	0.0217
Other Public Authority	27,260	0.1034
Sales for Resale	14,619	0.0555
Private Fire Protection	3,936	0.0149
Public Fire Protection	24,708	0.0938
Total	<u>\$263,523</u>	<u>1.0000</u>

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

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

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$4,890,679	0.4822
Commercial	1,644,273	0.1622
Industrial	307,420	0.0303
Other Public Authority	1,384,695	0.1366
Sales for Resale	799,822	0.0789
Private Fire Protection	113,887	0.0112
Public Fire Protection	999,653	0.0986
Total	<u>\$10,140,430</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$4,572,475	0.4821
Commercial	1,538,590	0.1622
Industrial	287,791	0.0303
Other Public Authority	1,296,048	0.1366
Sales for Resale	748,777	0.0789
Private Fire Protection	106,550	0.0112
Public Fire Protection	936,217	0.0987
Total	<u>\$9,486,447</u>	<u>1.0000</u>

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

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

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$1,412,775	0.5220
Commercial	414,881	0.1533
Industrial	72,714	0.0269
Other Public Authority	332,178	0.1227
Sales for Resale	187,419	0.0693
Private Fire Protection	33,281	0.0123
Public Fire Protection	253,107	0.0935
Total	<u>\$2,706,355</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Public (10)
RATE BASE									
Organization	17	\$ 7,341	\$ 3,540	\$ 1,191	\$ 222	\$ 1,003	\$ 579	\$ 82	\$ 724
Franchises	17	5,083	2,451	824	154	694	401	57	501
Land & Ld Rights SS	2	9,981	4,607	1,995	419	1,791	1,136	5	28
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	511	236	102	21	92	58	0	1
Land & Ld Rights TD	7	37,348	13,094	5,494	1,035	4,922	2,947	1,165	8,691
Land & Land Rights AG	15	2,222	1,207	313	50	236	131	35	249
Struct & Imp SS	2	44,766	20,664	8,949	1,880	8,031	5,094	22	125
Struct & Imp P	6	61,801	28,435	12,311	2,583	11,050	7,002	56	365
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	810,635	374,189	162,046	34,047	145,428	92,250	405	2,270
Struct & Imp WT Nth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctr Pit 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Ctr Pit 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	77,510	27,175	11,402	2,147	10,216	6,116	2,418	18,037
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	89,325	48,539	12,595	2,019	9,486	5,252	1,411	10,022
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	715,881	330,451	143,105	30,067	128,429	81,467	358	2,004
Supply Mains	2	143,999	66,470	28,785	6,048	25,833	16,387	72	403
Supply Mains Nth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Ctr Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Pit (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	5,222	2,403	1,040	218	934	592	5	31
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	422,213	194,260	84,105	17,649	75,492	47,837	380	2,491
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Pump Equip Diesel Stratman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl Plt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	7,038	3,238	1,402	294	1,258	797	6	42
WT Equip Non-Media	2	2,948,052	1,360,821	589,316	123,818	528,881	335,488	1,474	8,255
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctrl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	(2,411)	(1,113)	(482)	(101)	(433)	(274)	(1)	(7)
Dist Reservoirs & Standpipe	5	361,629	117,891	49,001	8,824	43,866	25,712	13,742	102,594
Elevated Tanks & Standpipes	5	56,956	18,568	7,718	1,390	6,909	4,050	2,164	16,158
Ground Level Facilities	5	13,953	4,549	1,891	340	1,692	992	530	3,958
TD Mains Not Classified by	7	(610,156)	(213,921)	(89,754)	(16,901)	(80,419)	(48,141)	(19,037)	(141,983)
TD Mains 4 & Less "	4	56,035	18,497	7,688	1,390	6,881	4,035	2,073	15,471
TD Mains 6 to 8" "	4	1,439,496	475,178	197,499	35,700	176,770	103,644	53,261	397,445
TD Mains 10 to 16" "	3	776,381	339,667	147,047	30,900	131,985	83,694	5,124	37,965
TD Mains 18 & Grtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	80,480	0	0	0	0	0	0	80,480
Services	10	1,117,710	917,193	115,348	4,471	34,761	1,118	44,820	0
Meters Bronze Case	9	300,763	225,452	39,550	4,572	29,655	1,534	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	(20,890)	(15,659)	(2,747)	(318)	(2,060)	(107)	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	519,012	389,051	68,250	7,889	51,175	2,647	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	410,479	0	0	0	0	0	0	410,479
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

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

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	(17,577)	(9,551)	(2,478)	(397)	(1,867)	(1,034)	(278)	(1,972)
Office Furniture & Equip	15	133,496	72,542	18,823	3,017	14,177	7,850	2,109	14,978
Comp & Periph Equip	15	(13,441)	(7,304)	(1,895)	(304)	(1,427)	(790)	(212)	(1,508)
Computer Software	15	(10,747)	(5,840)	(1,515)	(243)	(1,141)	(632)	(170)	(1,206)
Comp Software Personal	15	(2,065)	(1,122)	(291)	(47)	(219)	(121)	(33)	(232)
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	(243)	(132)	(34)	(5)	(26)	(14)	(4)	(27)
Trans Equip Lt Duty Trks	15	87,182	47,375	12,293	1,970	9,259	5,126	1,377	9,782
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	(133)	(72)	(19)	(3)	(14)	(8)	(2)	(15)
Trans Equip Other	15	(34,338)	(18,659)	(4,842)	(776)	(3,647)	(2,019)	(543)	(3,853)
Stores Equipment	15	0	0	0	0	0	0	0	0
Tools Shop, Garage Equip	15	6,804	3,697	959	154	723	400	108	763
Tools Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	51,165	23,618	10,228	2,149	9,179	5,823	26	143
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	21,639	11,759	3,051	489	2,298	1,272	342	2,428
Comm Equip Non-Telephone	15	10,650	5,787	1,502	241	1,131	626	168	1,195
Comm Equip Telephone	15	(2,673)	(1,453)	(377)	(60)	(284)	(157)	(42)	(300)
Misc Equipment	15	34,770	18,894	4,903	786	3,693	2,044	549	3,901
Other Tangible Property	17	6,198	2,989	1,005	188	847	489	69	611
Total Utility Plant in Service		10,159,052	4,899,659	1,647,294	307,984	1,387,239	801,292	114,096	1,001,489
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	15,309	7,382	2,483	464	2,091	1,208	171	1,509
Cash Working Capital	15	0	0	0	0	0	0	0	0
Materials and Supplies	15	45,204	24,564	6,374	1,022	4,801	2,658	714	5,072
Prepayments	15	7,466	4,057	1,053	169	793	439	118	838
OPEB's Contributed to External Fund	16	66,732	38,064	9,362	1,448	6,900	3,704	994	6,259
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	75,148	36,236	12,189	2,277	10,265	5,929	842	7,410
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(746,829)	(360,121)	(121,136)	(22,629)	(102,017)	(58,925)	(8,364)	(73,637)
Pensions	16	(135,635)	(77,366)	(19,030)	(2,943)	(14,025)	(7,528)	(2,021)	(12,723)
Total Other Rate Base Elements		(672,605)	(327,184)	(108,704)	(20,193)	(91,191)	(52,515)	(7,546)	(65,272)
Total Original Cost Measure of Value		\$ 9,486,447	\$ 4,572,475	\$ 1,538,590	\$ 287,791	\$ 1,296,048	\$ 748,777	\$ 106,550	\$ 936,217

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990 - 2002

Year (1)	Average Daily Send Out (MGD) (2)	Maximum Daily Use		
		MGD (3)	Ratio to Average (4)	Highest Use Day (5)
1990	2.048	3.225	1.57	8/28/1990
1991	2.120	3.397	1.60	8/27/1991
1992	2.225	3.348	1.50	7/1/1992
1993	2.408	3.933	1.63	8/26/1993
1994	2.287	3.636	1.59	6/20/1994
1995	2.318	3.631	1.57	8/30/1995
1996	2.287	3.421	1.50	7/18/1996
1997	2.241	3.863	1.72	7/24/1997
1998	2.393	3.792	1.58	7/21/1998
1999	2.427	3.893	1.60	7/29/1999
2000	2.472	4.075	1.65	8/29/2000
2001	2.403	3.647	1.52	8/21/2001
2002	2.548	3.759	1.48	9/8/2002

**MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT**

**BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS**

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
Fire Lines				
2 -inch	4.00	2	8	
3 -inch	9.00	0	0	
4 -inch	16.00	15	240	
6 -inch	36.00	27	972	
8 -inch	64.00	14	896	
10 -inch	100.00	1	100	
12 -inch	144.00	0	0	
Private Hydrants	32.75	6	197	
Total Private Fire Protection		65	2,413	0.1178
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
6" Valve	2- 2-1/2" & 1- 4.5"	0	0	
6" Valve	2- 2-1/2" & 1- 4"	634	18,069	
Total Public Fire Protection		634	18,069	0.8822
Total Fire Protection		699	20,482	1.0000

PART III. PROPOSED CUSTOMER RATES

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

Proposed Rates for General Water Service
Service Charge

Brunswick Operation

Monthly	5/8"	\$8.50
	3/4"	10.90
	1"	15.40
	1-1/2"	26.80
	2"	40.50
	3"	72.00
	4"	118.00
	6"	232.00
	8"	368.00
	10"	625.00
	12"	1,032.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 000 Gal	100	\$3.2000	\$3.2000	\$3.2000	\$3.2000	\$3.2000
For the Next	1,900	3.2000	2.3000	2.3000	2.3000	3.2000
For the Next	3,000	3.2000	2.3000	2.3000	2.3000	2.3000
For all over	5,000	3.2000	2.3000	2.0000	2.3000	2.0000

Private Fire Hydrant Service

Each: on Private Property

		<u>Rate</u> <u>Per Annum</u>	<u>Rate</u> <u>Per Month</u>
Fire Service	2"	\$1,252.68	\$104.39
	3"	179.52	\$14.96
	4"	308.52	\$25.71
	6"	489.48	\$40.79
	8"	1,003.80	\$83.65
	10"	1,727.16	\$143.93
	12"	2,654.88	\$221.24
Public Fire Hydrant		3,785.40	\$315.45
		\$263.17	

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

**Proposed Rates for General Water Service
Service Charge**

Monthly	5/8"	\$8.50	
	3/4"	\$10.90	
	1"	\$15.40	
	1-1/2"	\$26.80	
	2"	\$40.50	\$1,155.60
	3"	\$72.00	\$1,187.10
	4"	\$118.00	\$1,233.10
	6"	\$232.00	\$1,347.10
	8"	\$368.00	
	10"	\$625.00	

**Jefferson City Operation
Large Industrial****Consumption: CCF**

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 100 cubic ft	1	\$2.4780	\$2.4780	\$2.4780	\$2.4780	\$2.4780
For the Next	314	2.4780	2.4780	2.4780	2.4780	2.4780
For all over	315	2.4780	2.1000	2.1000	1.5000	2.1000

		<u>Rate Per Annum</u>	<u>Rate Per Month</u>
Private Fire Service			
Each: on Private Property		\$786.49	\$65.54
Fire Outlets	2"	87.35	\$7.28
	3"	196.66	\$16.39
	4"	349.57	\$29.13
	6"	786.49	\$65.54
	8"	1,398.11	\$116.51
	10"	2,184.60	\$182.05
	12"	0.00	\$0.00
Public Fire Hydrant		\$299.54	

Interruptible Rates:

	<u>State Penitentiary</u>	<u>State Capitol</u>	<u>Large Industrial</u>
Monthly Usage Rate: Per CCF			
First 170	\$2.478	\$2.478	
Next 145	2.478	2.478	
For all over 315	1.450	1.450	
First 600			Minimum
Over 600			\$1.7500

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

Proposed Rates for General Water Service
Service Charge

Joplin Operations

Monthly	5/8"	\$8.50
	3/4"	10.90
	1"	15.40
	1-1/2"	26.80
	2"	40.50
	3"	72.00
	4"	118.00
	6"	232.00
	8"	368.00
	10"	625.00
	12"	1,032.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 000 Gal	100	\$1.5670	\$1.5670	\$1.5670	\$1.5670	\$1.5670
For the Next	1,900	1.5670	0.9620	1.4000	0.9620	1.4000
For the Next	3,000	1.5670	0.9620	1.0000	0.9620	1.0000
For all over	5,000	1.5670	0.9620	0.6660	0.9620	0.7850

Private Fire Hydrant Service

Each: on Private Property

	<u>Rate</u> <u>Per Annum</u>	<u>Rate</u> <u>Per Month</u>
Fire Service	\$669.24	\$55.77
2"	95.88	\$7.99
3"	164.76	\$13.73
4"	261.48	\$21.79
6"	536.28	\$44.69
8"	922.68	\$76.89
10"	1,418.28	\$118.19
12"	2,022.24	\$168.52
Public Fire Hydrant	\$305.47	

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

**Proposed Rates for General Water Service
Service Charge****Mexico Operations**

Monthly	5/8"	\$8.50
	3/4"	10.90
	1"	15.40
	1-1/2"	26.80
	2"	40.50
	3"	72.00
	4"	118.00
	6"	232.00
	8"	368.00
	10"	625.00
	12"	1,032.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 000 Gal	100	\$4.0140	\$4.0140	\$4.0140	\$4.0140	\$4.0140
For the Next	1,900	4.0140	1.5000	3.5000	1.9000	3.5000
For the Next	3,000	4.0140	1.5000	1.5500	1.9000	2.1300
For all over	5,000	4.0140	1.5000	1.5500	1.9000	2.1300

Private Fire Hydrant Service

Each: on Private Property

		<u>Rate Per Annum</u>	<u>Rate Per Month</u>
Fire Service	2"	\$1,077.24	\$89.77
	3"	154.44	\$12.87
	4"	265.32	\$22.11
	6"	420.84	\$35.07
	8"	863.16	\$71.93
	10"	1,485.36	\$123.78
	12"	2,283.12	\$190.26
		3,255.36	\$271.28
Public Hydrant Rate		\$328.66	

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

**Proposed Rates for General Water Service
Service Charge****Parkville Water Operations**

Monthly	5/8"	\$8.50
	3/4"	10.90
	1"	15.40
	1-1/2"	26.80
	2"	40.50
	3"	72.00
	4"	118.00
	6"	232.00
	8"	368.00
	10"	625.00
	12"	1,032.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 000 Gal	100	\$3.4900	\$3.4900	\$2.5000	\$3.4900	\$3.4900
For the Next	1,900	3.4900	1.7900	1.5000	1.7900	2.8000
For the Next	3,000	3.4900	1.7900	1.5000	1.7900	1.7900
For all over	5,000	3.4900	1.7900	1.3000	1.7900	1.5000

Private Fire Hydrant Service

		<u>Rate Per Annum</u>	<u>Rate Per Month</u>
Each: on Private Property		\$980.64	\$81.72
Fire Service	2"	140.52	\$11.71
	3"	241.44	\$20.12
	4"	383.16	\$31.93
	6"	785.76	\$65.48
	8"	1,352.04	\$112.67
	10"	2,078.16	\$173.18
	12"	2,963.16	\$246.93
Public Hydrant Rate		\$352.86	

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

**Proposed Rates for General Water Service
Service Charge****St Charles Operation**

Monthly	5/8"	\$8.50
	3/4"	8.70
	1"	9.70
	1-1/2"	14.00
	2"	16.20
	3"	56.00
	4"	110.00
	6"	201.00
	8"	261.00
	10"	380.00
	12"	532.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential (A)</u>	<u>Commercial (A)</u>	<u>Industrial (A)</u>	<u>OPA (A)</u>	<u>OWU (B)</u>
1st 000 Gal	100	\$1.6116	\$1.6116	\$1.6116	\$1.6116	\$1.2156
For the Next	1,900	1.6116	1.6116	1.6116	1.6116	1.2156
For the Next	3,000	1.6116	1.6116	1.6116	1.6116	1.2156
For all over	5,000	1.6116	1.6116	1.6116	1.6116	1.2156

Private Fire Hydrant Service

Each: on Private Property

	<u>Rate Per Annum</u>	<u>Rate Per Month</u>
Fire Service	\$822.12	\$68.51
2"	117.84	\$9.82
3"	202.44	\$16.87
4"	321.24	\$26.77
6"	658.80	\$54.90
8"	1,133.64	\$94.47
10"	1,742.40	\$145.20
12"	2,484.36	\$207.03
Public Hydrant Rate	\$314.79	

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

**Proposed Rates for General Water Service
Service Charge****St Joseph Operation**

Monthly	5/8"	\$8.50
	3/4"	10.90
	1"	15.40
	1-1/2"	26.80
	2"	40.50
	3"	72.00
	4"	118.00
	6"	232.00
	8"	368.00
	10"	625.00
	12"	1,032.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 000 Gal	100	\$3.1200	\$3.1200	\$4.7900	\$3.1200	\$3.1200
For the Next	1,900	3.1200	2.7240	3.1500	3.1200	3.1200
For the Next	3,000	3.1200	2.4000	2.4500	2.8800	2.8800
For all over	5,000	3.1200	2.4000	1.7000	2.0700	2.0700
Property Tax Surcharge		0	0		0	0

Private Fire Hydrant Service

		<u>Rate Per Annum</u>	<u>Rate Per Month</u>
Each: on Private Property		\$459.96	\$38.33
Fire Service	2"	66.00	\$5.50
	3"	113.28	\$9.44
	4"	179.76	\$14.98
	6"	368.64	\$30.72
	8"	634.20	\$52.85
	10"	974.88	\$81.24
	12"	1,390.08	\$115.84
Public Fire Hydrant		\$292.79	

Schedule F-STL

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

Proposed Rates for General Water Service

St. Louis County Operation

Rates for General Water Service		<u>Rate A</u>	<u>Rate B</u>	<u>Rate D</u>	<u>Rate F</u>	<u>Rate H</u>	<u>Rate J</u>	<u>Rate K</u>
Service Charge								
Monthly	5/8"	\$ 8.50	\$ -	\$ 8.50	\$ -	\$ -	\$ 8.50	\$ 8.50
	3/4"	8.70	-	8.70	-	-	8.70	8.70
	1"	9.70	-	9.70	-	-	9.70	9.70
	1-1/2"	14.00	-	14.00	-	-	14.00	14.00
	2"	16.20	-	16.20	-	-	16.20	16.20
	3"	56.00	-	56.00	-	-	56.00	56.00
	4"	110.00	-	110.00	-	-	110.00	110.00
	6"	201.00	-	201.00	-	-	201.00	201.00
	8"	261.00	-	261.00	-	-	261.00	261.00
	10"	380.00	-	380.00	-	-	380.00	380.00
	12"	532.00	-	532.00	-	-	532.00	532.00
Quarterly	5/8"	12.20	-	12.20	-	-	12.20	12.20
	3/4"	13.00	-	13.00	-	-	13.00	13.00
	1"	16.00	-	16.00	-	-	16.00	16.00
	1-1/2"	28.70	-	28.70	-	-	28.70	28.70
	2"	35.30	-	35.30	-	-	35.30	35.30
	3"	153.00	-	153.00	-	-	153.00	153.00
	4"	318.00	-	318.00	-	-	318.00	318.00
	6"	588.00	-	588.00	-	-	588.00	588.00
	8"	769.00	-	769.00	-	-	769.00	769.00
	10"	1,126.00	-	1,126.00	-	-	1,126.00	1,126.00
	12"	1,582.00	-	1,582.00	-	-	1,582.00	1,582.00

Consumption	<u>Rate A</u>	<u>Rate B</u>	<u>Rate D</u>	<u>Rate F</u>	<u>Rate H</u>	<u>Rate J</u>	<u>Rate K</u>
Monthly or Quarterly							
All Water per 1,000 Gal	\$ 2.2041	\$ 1.2156	\$ 1.0667	\$ 2.2041	\$ 0.4843	\$ 1.0927	\$ 2.2041
All Water per CCF	1.6531	0.9117	0.8000	1.6531	0.3632	0.8195	1.6531

Private Fire	<u>Month</u>	<u>Quarter</u>	<u>Semi-Annual</u>	<u>Annual</u>
Tap Size				
2" or Less	\$ 1.83	\$ 5.48	\$ 10.96	\$ 21.92
4"	7.29	21.88	43.76	87.52
6"	16.41	49.23	98.46	196.92
8"	29.18	87.53	175.06	350.12
10"	45.59	136.77	273.54	547.08
12"	65.66	196.97	393.94	787.88
20"	-	521.34	-	-

Private Fire	<u>Month</u>	<u>Quarter</u>	<u>Semi-Annual</u>	<u>Annual</u>
Detector Check Meters				
5/8"	\$ 9.20	\$ 36.80	\$ 55.20	\$ 110.40
3/4"	9.92	39.68	59.52	119.04
1"	11.36	45.44	68.16	136.32
1 1/2"	14.95	59.80	89.70	179.40
2"	19.25	77.00	115.50	231.00
3"	30.73	122.92	184.38	368.76
4"	43.64	174.56	261.84	523.68
6"	79.53	318.12	477.18	954.36

Public Fire	<u>Rate</u>
Annual	\$ 288.92
Semi-Annual	\$ 144.46

MISSOURI-AMERICAN WATER COMPANY

PROPOSED CUSTOMER RATE DESIGN

**Proposed Rates for General Water Service
Service Charge****Warrensburg Operation**

Monthly	5/8"	\$8.50
	3/4"	10.90
	1"	15.40
	1-1/2"	26.80
	2"	40.50
	3"	72.00
	4"	118.00
	6"	232.00
	8"	368.00
	10"	625.00
	12"	1,032.00

Consumption: 1000 GALLONS

	<u>Monthly</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>OPA</u>	<u>OWU</u>
1st 000 Gal	100	\$2.0600	\$2.0600	\$2.0600	\$2.0600	\$2.0600
For the Next	1,900	2.0600	1.3100	1.3100	1.3100	2.0600
For the Next	3,000	2.0600	1.3100	1.3100	1.3100	1.5000
For all over	5,000	2.0600	1.3100	1.0000	1.3100	1.5000

Private Fire Hydrant Service

Each: on Private Property

	<u>Rate Per Annum</u>	<u>Rate Per Month</u>
Fire Service 2"	\$968.28	\$80.69
3"	138.84	\$11.57
4"	238.44	\$19.87
6"	378.36	\$31.53
8"	775.92	\$64.66
10"	1,335.12	\$111.26
12"	2,052.12	\$171.01

Public fire Hydrant

\$389.39

