

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2007

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	\$ 8,309,392	46.3%	\$ 6,696,876	51.8%	\$ 8,834,653	49.2%	\$ 2,137,777	31.9%
Commercial	4,148,437	23.1%	2,948,526	22.8%	4,133,544	23.0%	1,185,018	40.2%
Industrial	3,684,017	20.5%	2,082,377	16.1%	3,295,822	18.4%	1,213,445	58.3%
Public Authority	531,329	3.0%	350,088	2.7%	513,395	2.9%	163,307	46.6%
Sales for Resale	908,427	5.1%	511,016	3.9%	809,206	4.5%	298,190	58.4%
Private Fire Service	357,486	2.0%	352,602	2.7%	352,602	2.0%	-	0.0%
Public Fire Service	-	0.0%	\$0	0.0%	\$0	0.0%	-	-
Total Sales	17,939,088	100.0%	12,941,485	100.0%	17,939,222	100.0%	4,997,737	38.6%
Other Revenues	237,529		236,408		236,408		-	0.0%
Total	\$ 18,176,617		\$13,177,893		\$18,175,630		\$ 4,997,737	37.9%

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN DISTRICT
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, 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	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	19,383	6,736	4,950	5,732	638	1,264	23	41
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		19,383	6,736	4,950	5,732	638	1,264	23	41
Misc Exp Oper SS	2	387,436	134,634	98,951	114,565	12,747	25,261	465	814
Misc Exp Oper SS	2	0	0	0	0	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	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
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
Infill Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Infill 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
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	20,557	7,144	5,250	6,079	676	1,340	25	43
Misc Plant Maint SS	2	2,348	816	600	694	77	153	3	5
TOTAL SS EXPENSE - MAINTENANCE		410,341	142,594	104,801	121,338	13,500	26,754	492	862
TOTAL SS EXPENSE		429,724	149,329	109,752	127,069	14,138	28,018	516	902
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	23,595	8,197	6,019	6,784	776	1,534	101	184
Fuel for Power Prod	1	170	52	42	58	5	12	0	1
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	467,469	141,924	115,558	159,500	14,866	33,050	935	1,636
Labor & Exp Oper Pump	6	367,027	127,505	93,629	105,520	12,075	23,857	1,578	2,863
Labor & Exp Oper Pump	6	838	291	214	241	28	54	4	7
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	5,283	1,835	1,348	1,519	174	343	23	41
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		864,382	279,804	216,810	273,622	27,924	58,850	2,641	4,731

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN DISTRICT
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, 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)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	50,824	17,656	12,965	14,612	1,672	3,304	219	396
Pump Equip Maint P	6	25,739	8,942	6,566	7,400	847	1,673	111	201
TOTAL PUMPING EXPENSES - MAINTENANCE		76,563	26,598	19,531	22,012	2,519	4,977	329	597
TOTAL PUMPING EXPENSES		940,945	306,402	236,341	295,634	30,443	63,827	2,970	5,329
WATER TREATMENT									
Super & Eng Oper WT	2	(1,384)	(481)	(354)	(409)	(46)	(90)	(2)	(3)
Chemicals	1	259,069	78,653	64,042	88,394	8,238	18,316	518	907
Labor & Exp Oper WT	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	27,719	9,632	7,079	8,197	912	1,807	33	58
Misc Exp Oper WT	2	7,903	2,746	2,018	2,337	260	515	9	17
Misc Exp Oper WT	1	33,510	10,174	8,284	11,434	1,066	2,369	67	117
Misc Exp Oper WT	2	7,031	2,443	1,796	2,079	231	458	8	15
Rents Oper WT	2	41	14	10	12	1	3	0	0
TOTAL WT EXPENSE - OPERATION		333,889	103,182	82,876	112,043	10,663	23,379	635	1,111
Super & Eng Maint WT	2	42,283	14,693	10,799	12,503	1,391	2,757	51	89
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	25,327	8,801	6,469	7,489	833	1,651	30	53
TOTAL WT EXPENSE - MAINTENANCE		67,610	23,494	17,268	19,992	2,224	4,408	81	142
TOTAL WT EXPENSE		401,498	126,677	100,144	132,035	12,887	27,787	716	1,253
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	13,877	8,592	2,750	871	432	384	315	531
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp	7	98,101	34,777	24,810	11,880	3,198	5,974	6,288	11,174
TD Lines Exp	7	15,719	5,572	3,975	1,904	512	957	1,008	1,790
Meter Expense	9	218,998	164,906	37,514	7,402	6,745	2,431	0	0
Meter Expense	9	1,462	1,101	250	49	45	16	0	0
Customer Install Exp	10	4,410	3,425	530	27	38	4	385	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	18,940	11,728	3,754	1,189	589	525	430	725

MISSOURI-AMERICAN WATER COMPANY
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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)
Misc Exp Oper TD	11	1,317	815	261	83	41	36	30	50
Misc Exp Oper TD	11	14,364	8,894	2,847	902	447	398	326	550
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		387,188	239,811	76,692	24,308	12,047	10,726	8,782	14,822
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0
TD Main Maint TD	7	164,295	58,243	41,550	19,896	5,356	10,006	10,531	18,713
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
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	4,899	3,805	588	30	43	4	428	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	5,564	4,190	953	188	171	62	0	0
Meters Maint TD	9	7,167	5,397	1,228	242	221	80	0	0
Hydrants Maint TD	8	23,856	0	0	0	0	0	0	23,856
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	0	0	0	0	0	0	0	0
Mat and Sup Maint TD	12	45,174	15,725	9,730	4,468	1,269	2,227	2,408	9,347
Misc Maint TD	12	333	116	72	33	9	16	18	69
Amort Def Maint TD	5	9,705	2,987	2,103	2,056	270	494	647	1,147
TOTAL T & D EXPENSE - MAINTENANCE		260,993	90,462	56,225	26,914	7,339	12,889	14,032	53,132
TOTAL T & D EXPENSE		648,180	330,273	132,916	51,222	19,387	23,615	22,814	67,953
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	186,594	163,157	21,645	616	1,120	56	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	98,549	84,969	11,274	325	581	30	1,370	0
Uncollectible Accts	13	169,822	146,421	19,428	560	1,002	51	2,361	0
Misc Cust Accts Exp CA	13	6,617	5,705	757	22	39	2	92	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	10,446	9,007	1,195	34	62	3	145	0
Cust Serv & Info Exp CA	13	0	0	0	0	0	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		472,028	409,259	54,299	1,558	2,804	142	3,968	0

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Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for		Fire Protection Public (10)
							Resale (8)	Private (9)	
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	419,147	214,520	87,602	68,447	10,898	17,604	5,784	14,293
Other Supplies & Exp AG	15	710	363	148	116	18	30	10	24
Other Supplies & Exp AG	15	87,434	44,749	18,274	14,278	2,273	3,672	1,207	2,981
Other Supplies & Exp AG	15	56,013	28,668	11,707	9,147	1,456	2,353	773	1,910
Mgmt Fees-Admin	15	833,955	426,818	174,297	136,185	21,683	35,026	11,509	28,438
Mgmt Fees-Customer Service	13	318,147	274,306	36,396	1,050	1,877	95	4,422	0
Mgmt Fees-Belleuille Lab	2	31,138	10,820	7,953	9,207	1,024	2,030	37	65
Mgmt Fees- Employee	16	136,979	69,599	28,807	20,999	3,712	5,726	2,151	5,986
Outside Services AG	15	66,518	34,044	13,902	10,862	1,729	2,794	918	2,268
Outside Services AG	15	6,177	3,161	1,291	1,009	161	259	85	211
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	144,090	73,745	30,115	23,530	3,746	6,032	1,988	4,913
Ins Work Comp AG	16	50,568	25,688	10,632	7,751	1,370	2,113	794	2,209
Ins Other Oper AG	15	31,633	16,190	6,611	5,166	822	1,329	437	1,079
Property Insurance	15	11,703	5,990	2,446	1,911	304	492	162	399
Injuries & Damages	16	433	220	91	66	12	18	7	19
Employee Pension & Benefits	16	448,320	227,791	94,282	68,727	12,149	18,740	7,039	19,592
Employee Pension & Benefits	16	106,194	53,957	22,333	16,280	2,878	4,439	1,667	4,641
Employee Pension & Benefits	16	58,547	29,748	12,312	8,975	1,587	2,447	919	2,559
Reg Commision Exp	15	25,452	13,026	5,320	4,156	662	1,069	351	868
Rents AG	15	33,715	17,255	7,046	5,506	877	1,416	465	1,150
Goodwill Advertising Exp	15	523	268	109	85	14	22	7	18
Misc Exp AG	15	240,538	123,107	50,272	39,280	6,254	10,103	3,319	8,202
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		3,107,925	1,694,035	621,946	452,733	75,507	117,828	44,051	101,825
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	11,589	5,931	2,422	1,892	301	487	160	395
TOTAL A & G EXPENSE - MAINTENANCE		11,589	5,931	2,422	1,892	301	487	160	395
TOTAL A & G EXPENSE		3,119,514	1,699,966	624,368	454,625	75,809	118,315	44,211	102,220
Total Operation & Maintenance Expenses		6,011,890	3,021,905	1,257,819	1,062,144	155,467	261,703	75,195	177,657

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for		Fire Protection	
							Resale (8)	Private (9)	Public (10)	
DEPRECIATION EXPENSE										
Struct & Imp SS	2	125,760	43,702	32,119	37,187	4,138	8,200	151	264	
Struct & Imp P	6	53,531	18,597	13,656	15,390	1,761	3,480	230	418	
Struct & Imp WT	2	141,636	49,219	36,174	41,882	4,660	9,235	170	297	
Struct & Imp TD	7	83,877	29,734	21,212	10,158	2,734	5,108	5,377	9,554	
Struct & Imp AG	15	10,966	5,612	2,292	1,791	285	461	151	374	
Struct & Imp Offices	15	0	0	0	0	0	0	0	0	
Struct & Imp Leasehold	15	290	148	61	47	8	12	4	10	
Struct & Imp Store,Shop,Gar	15	800	409	167	131	21	34	11	27	
Struct & Imp Misc	15	1,932	989	404	315	50	81	27	66	
Collect & Impounding	1	1,386	421	343	473	44	98	3	5	
Lake, River & Other Intakes	2	9,472	3,292	2,419	2,801	312	618	11	20	
Wells & Springs	2	61,983	21,539	15,830	18,328	2,039	4,041	74	130	
Supply Mains	2	66,042	22,950	16,867	19,529	2,173	4,306	79	139	
Power Generation Equip	6	29,331	10,190	7,482	8,433	965	1,907	126	229	
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0	
Boiler Plant Equipment P	6	7	2	2	2	0	0	0	0	
Pump Equip Electric	6	178,169	61,896	45,451	51,224	5,862	11,581	766	1,390	
Pump Equip Diesel	6	3,225	1,120	823	927	106	210	14	25	
Pump Equip Steam	6	0	0	0	0	0	0	0	0	
Pump Equip Other	6	6,288	2,184	1,604	1,808	207	409	27	49	
Pump Equip TD	6	4,192	1,456	1,069	1,205	138	272	18	33	
WT Equip Non-Media	2	413,740	143,775	105,669	122,343	13,612	26,976	496	869	
WT Equip Filter Media	2	5,064	1,760	1,293	1,497	167	330	6	11	
Dist Reservoirs & Standpipe	5	81,906	25,211	17,749	17,356	2,277	4,169	5,463	9,681	
Elevated Tanks & Standpipes	5	61,972	19,075	13,429	13,132	1,723	3,154	4,134	7,325	
Ground Level Facilities	5	81	25	18	17	2	4	5	10	
TD Mains Not Classified by	7	86,070	30,512	21,767	10,423	2,806	5,242	5,517	9,803	
TD Mains 4 & Less	4	35,147	12,660	8,962	2,896	1,153	2,126	2,647	4,703	
TD Mains 6 to 8"	4	50,598	18,225	12,902	4,169	1,660	3,061	3,810	6,770	
TD Mains 10 to 16"	3	178,820	59,315	43,596	50,445	5,597	11,140	3,147	5,579	

MISSOURI-AMERICAN WATER COMPANY
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Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)	Public Authorities (7)	Sales for Resale (8)		Fire Protection Public (9) (10)	
TD Mains 18 & Grtr	3	13,959	4,630	3,403	3,938	437	870	246	436				
Fire Mains	8	78	0	0	0	0	0	0	78				
Services	10	248,229	192,799	29,812	1,539	2,160	223	21,695	0				
Meters Bronze Case	9	23,321	17,561	3,995	788	718	259	0	0				
Meters Plastic Case	9	249	187	43	8	8	3	0	0				
Meters Other	9	3,508	2,642	601	119	108	39	0	0				
Meters Other-Rem Rdr Units	9	1,270	956	218	43	39	14	0	0				
Meter Installations	9	84,412	63,562	14,460	2,853	2,600	937	0	0				
Meter Installation Other	9	0	0	0	0	0	0	0	0				
Meter Vaults	9	25	19	4	1	1	0	0	0				
Hydrants	8	17,298	0	0	0	0	0	0	17,298				
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0				
Other P/E WT Res Hand Equip	2	281	98	72	83	9	18	0	1				
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	4,262	2,181	891	696	111	179	59	145				
Comp & Periph Equip	15	41,927	21,458	8,763	6,847	1,090	1,761	579	1,430				
Computer Software	15	48,688	24,919	10,176	7,951	1,266	2,045	672	1,660				
Comp Software Personal	15	1,262	646	264	206	33	53	17	43				
Data Handling Equipment	15	290	148	61	47	8	12	4	10				
Other Office Equipment	15	391	200	82	64	10	16	5	13				
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	0				
Trans Equip Hwy Duty Trks	15	798	408	167	130	21	34	11	27				
Trans Equip Autos	15	0	0	0	0	0	0	0	0				
Trans Equip Other	15	0	0	0	0	0	0	0	0				
Stores Equipment	15	203	104	42	33	5	9	3	7				
Tools, Shop, Garage Equip	15	39,652	20,294	8,287	6,475	1,031	1,665	547	1,352				
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0				
Laboratory Equipment	2	3,643	1,266	930	1,077	120	238	4	8				
Laboratory Equip Other	2	0	0	0	0	0	0	0	0				
Power Operated Equipment	15	14,455	7,398	3,021	2,361	376	607	199	493				
Comm Equip Non-Telephone	15	2,560	1,310	535	418	67	108	35	87				
Remote Control & Insir	15	12,030	6,157	2,514	1,964	313	505	166	410				
Comm Equip Telephone	15	123	63	26	20	3	5	2	4				
Misc Equipment	15	2,794	1,430	584	456	73	117	39	95				
Total Depreciation Expense		2,257,993	954,454	512,312	472,027	65,103	115,971	56,749	81,377				

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Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for		Fire Protection	
							Resale (8)	Private (9)	Public (10)	
Amort-Other UP	18	6,646	2,638	1,560	1,467	200	366	156	261	
Amort-Intangible Fin	2	8,342	2,899	2,131	2,467	274	544	10	18	
Taxes Other Than Income										
Utility Reg Assessment Fee	19	91,204	39,765	20,530	18,624	2,599	4,624	1,815	3,247	
Property Taxes	18	550,470	218,482	129,195	121,489	16,569	30,276	12,881	21,578	
FUTA	16	2,377	1,208	500	364	64	99	37	104	
FICA	16	120,594	61,274	25,361	18,487	3,268	5,041	1,893	5,270	
SUTA	16	4,901	2,490	1,031	751	133	205	77	214	
Other Taxes & Licenses	15	6,156	3,151	1,287	1,005	160	259	85	210	
Gross Receipts Tax	19	0	0	0	0	0	0	0	0	
Total Taxes, Other Than Income		775,702	326,369	177,904	160,721	22,794	40,504	16,789	30,623	
Income Taxes	18	2,635,962	1,046,213	618,660	581,757	79,342	144,978	61,682	103,330	
Utility Income Available for Return	18	6,480,082	2,571,945	1,520,875	1,430,154	195,050	356,405	151,634	254,019	
Total Cost of Service		18,176,617	7,926,423	4,091,260	3,710,736	518,231	920,470	362,213	647,284	
Less: Other Water Revenues	19	237,529	103,563	53,468	48,503	6,770	12,043	4,727	8,456	
Revenue Contribution	19	0	0	0	0	0	0	0	0	
Total Other Water Revenues		237,529	103,563	53,468	48,503	6,770	12,043	4,727	8,456	
Total Cost of Service Related to Sales of Water		\$ 17,939,088	\$ 7,822,860	\$ 4,037,792	\$ 3,662,233	\$ 511,462	\$ 908,427	\$ 357,486	\$ 638,828	
Reallocation of Public Fire	20	0	486,531	110,645	21,784	19,868	0	0	(638,828)	
Total		\$ 17,939,088	\$ 8,309,392	\$ 4,148,437	\$ 3,684,017	\$ 531,329	\$ 908,427	\$ 357,486	\$ -	

MISSOURI-AMERICAN WATER COMPANY
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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 <u>(1)</u>	Average Daily Consumption, Thousand Gallons <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	3,697	0.3036
Commercial	3,009	0.2472
Industrial	4,153	0.3412
Other Public Authority	387	0.0318
Sales for Resale	861	0.0707
Private Fire Protection	24	0.0020
Public Fire Protection	42	0.0035
Total	<u>12,173</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 <u>(1)</u>	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor <u>(6)=(3)+(5)</u>
	Allocation Factor <u>(2)</u>	Weighted Factor <u>(3)=(2)x</u>	Allocation Factor <u>(4)</u>	Weighted Factor <u>(5)=(4)x</u>	
		0.5882		0.4118	
Residential	0.3036	0.1785	0.4104	0.1690	0.3475
Commercial	0.2472	0.1454	0.2672	0.1100	0.2554
Industrial	0.3412	0.2007	0.2306	0.0950	0.2957
Other Public Authority	0.0318	0.0187	0.0344	0.0142	0.0329
Sales for Resale	0.0707	0.0416	0.0574	0.0236	0.0652
Private Fire Protection	0.0020	0.0012			0.0012
Public Fire Protection	0.0035	0.0021			0.0021
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.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	3,697	1.0	3,697	0.4104
Commercial	3,009	0.8	2,407	0.2672
Industrial	4,153	0.5	2,077	0.2306
Other Public Authority	387	0.8	310	0.0344
Sales for Resale	861	0.6	517	0.0574
Total	12,107		9,008	1.0000

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 2007 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5882
Maximum Day Extra Capacity	0.70	0.4118
Total	1.70	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN 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 (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.5613	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.3930	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0457	
Residential	0.3036	0.1704	0.4104	0.1613			0.3317
Commercial	0.2472	0.1388	0.2672	0.1050			0.2438
Industrial	0.3412	0.1915	0.2306	0.0906			0.2821
Other Public Authority	0.0318	0.0178	0.0344	0.0135			0.0313
Sales for Resale	0.0707	0.0397	0.0574	0.0226			0.0623
Private Fire Protection	0.0020	0.0011			0.3604	0.0165	0.0176
Public Fire Protection	0.0035	0.0020			0.6396	0.0292	0.0312
Total	<u>1.0000</u>	<u>0.5613</u>	<u>1.0000</u>	<u>0.3930</u>	<u>1.0000</u>	<u>0.0457</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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 2007 of 13.266 MGD. The system demand for fire protection is 6,000 Gallons per minute for 3 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	13,265,808	0.5613
Maximum Day Extra Capacity	<u>0.70</u>	<u>9,286,066</u>	<u>0.3930</u>
Subtotal	<u>1.70</u>	22,551,874	0.9543
Fire Protection		<u>1,080,000</u>	<u>0.0457</u>
Total		<u>23,631,874</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
JOPLIN 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 0.3172	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4760	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.2068	Allocation Factor (9)=(4)+(6)+(8)		
Residential	154.0	0.3944	0.1250	0.4940	0.2352				0.3602	
Commercial	125.4	0.3212	0.1019	0.3217	0.1531				0.2550	
Industrial	56.2	0.1440	0.0457	0.0772	0.0367				0.0824	
Other Public Authority	16.1	0.0412	0.0131	0.0413	0.0197				0.0328	
Sales for Resale	35.9	0.0920	0.0292	0.0658	0.0313				0.0605	
Private Fire Protection	1.0	0.0026	0.0008			0.3604	0.0745		0.0753	
Public Fire Protection	1.8	0.0046	0.0015			0.6396	0.1323		0.1338	
Total	390.4	1.0000	0.3172	1.0000	0.4760	1.0000	0.2068	1.0000	1.0000	

The maximum hour extra capacity factors in column 5 are determined on the next page.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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 2007 of 13.266 MGD. The system demand for fire protection is 6,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	9,212	0.3172
Maximum Hour Extra Capacity	<u>1.50</u>	<u>13,818</u>	<u>0.4760</u>
Subtotal	<u><u>2.50</u></u>	23,030	0.7932
Fire Protection		<u>6,000</u>	<u>0.2068</u>
Total		<u><u>29,030</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)
Residential	154.0	3.5	539.0	0.4940
Commercial	125.4	2.8	351.1	0.3217
Industrial	56.2	1.5	84.3	0.0772
Other Public Authority	16.1	2.8	45.1	0.0413
Sales for Resale	<u>35.9</u>	2.0	<u>71.8</u>	<u>0.0658</u>
Total	<u><u>387.6</u></u>		<u><u>1,091.3</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
 JOPLIN 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	Allocation Factor
	Thousand Gallons	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor		
(1)	(2)	(4)=(3) X	(5)	(6)=(5) X	(7)	(8)=(7) X	(9)=(4)+(6)+(8)	
		0.3268		0.4901		0.1831		
Residential	154.0	0.0992	0.4256	0.2086			0.3078	
Commercial	125.4	0.0808	0.2772	0.1359			0.2167	
Industrial	173.0	0.1115	0.2049	0.1004			0.2119	
Other Public Authority	16.1	0.0104	0.0356	0.0174			0.0278	
Sales for Resale	35.9	0.0231	0.0567	0.0278			0.0509	
Private Fire Protection	1.0	0.0020			0.3604	0.0660	0.0667	
Public Fire Protection	1.8	0.0035			0.6396	0.1171	0.1182	
Total	507.2	1.0000	1.0000	0.4901	1.0000	0.1831	1.0000	1.0000

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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 3 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{6,000 \text{ GPM} \times 60 \text{ Min.} \times 3 \text{ Hrs.}}{5,900,000 \text{ Gallons}} = 0.1831$$

$$\text{General Service Weight} = 1.0000 - 0.1831 = 0.8169$$

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	0.3268
Extra Capacity Maximum Hour	1.50	60.00	0.4901
Total	2.50	100.00	0.8169

Customer Classification (1)	Average Hourly Consumption Thousand Gal. (2)	Maximum Hour Extra Capacity		
		Factor* (3)	1,000 Gallons Per Hour (4)=(2)x(3)	Allocation Factor (5)
Residential	154.0	3.5	539.0	0.4256
Commercial	125.4	2.8	351.1	0.2772
Industrial	173.0	1.5	259.5	0.2049
Other Public Authority	16.1	2.8	45.1	0.0356
Sales for Resale	35.9	2.0	71.8	0.0567
Total	504.4		1,266.5	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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 w/ Fire		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 0.9355	(4)	(5)=(4)X 0.0281	(6)	(7)=(6)X 0.0364	(8)=(3)+ (5)+(7)
Residential	0.3475	0.3251	0.3317	0.0092	0.3602	0.0131	0.3474
Commercial	0.2554	0.2389	0.2438	0.0069	0.2550	0.0093	0.2551
Industrial	0.2957	0.2766	0.2821	0.0079	0.0824	0.0030	0.2875
Other Public Authority	0.0329	0.0308	0.0313	0.0009	0.0328	0.0012	0.0329
Sales for Resale	0.0652	0.0610	0.0623	0.0018	0.0605	0.0022	0.0650
Private Fire Protection	0.0012	0.0011	0.0176	0.0005	0.0753	0.0027	0.0043
Public Fire Protection	0.0021	0.0020	0.0312	0.0009	0.1338	0.0049	0.0078
Total	<u>1.0000</u>	<u>0.9355</u>	<u>1.0000</u>	<u>0.0281</u>	<u>1.0000</u>	<u>0.0364</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:

	Horsepower of Pumps	Weight
Associated with Maximum Day	4,500	0.9355
Associated with Maximum Day and Fire	135	0.0281
Associated with Maximum Hour	<u>175</u>	<u>0.0364</u>
Total	<u>4,810</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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 5, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X	(4)	(5)=(4)X	(6)=(3)+(5)
		0.1935		0.8065	
Residential	0.3317	0.0641	0.3602	0.2904	0.3545
Commercial	0.2438	0.0472	0.2550	0.2057	0.2529
Industrial	0.2821	0.0546	0.0824	0.0665	0.1211
Other Public Authority	0.0313	0.0061	0.0328	0.0265	0.0326
Sales for Resale	0.0623	0.0121	0.0605	0.0488	0.0609
Private Fire Protection	0.0176	0.0034	0.0753	0.0607	0.0641
Public Fire Protection	0.0312	0.0060	0.1338	0.1079	0.1139
Total	<u>1.0000</u>	<u>0.1935</u>	<u>1.0000</u>	<u>0.8065</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	417,044	0.1935
Distribution Mains	<u>1,738,356</u>	<u>0.8065</u>
Total	<u>2,155,400</u>	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	22,358	0.7530
Commercial	5,086	0.1713
Industrial	1,002	0.0338
Other Public Authority	913	0.0308
Sales for Resale	329	0.0111
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>29,688</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	18,356	18,356	1,781	1,781	8	8	36	36	0	0	20,181	20,181
3/4	1.3	0	0	4	5	0	0	0	0	0	0	4	5
1	1.7	2,264	3,849	567	964	14	24	43	73	1	2	2,889	4,912
1-1/2	3.5	3	11	14	49	0	0	2	7	0	0	19	67
2	4.3	33	142	354	1,522	34	146	53	228	1	4	475	2,042
3	19.0	0	0	0	0	0	0	0	0	0	0	0	0
4	29.3	0	0	14	410	16	469	4	117	0	0	34	996
6	48.4	0	0	5	242	5	242	0	0	2	97	12	581
8	112.9	0	0	1	113	1	113	4	452	2	226	8	904
Total		20,656	22,358	2,740	5,086	78	1,002	142	913	6	329	23,622	29,688

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	21,077	0.7767
Commercial	3,260	0.1201
Industrial	167	0.0062
Other Public Authority	237	0.0087
Sales for Resale	25	0.0009
Private Fire Protection	<u>2,372</u>	<u>0.0874</u>
Total	<u><u>27,138</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	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(13)	Number of Services (15)	Weighting (16)
3/4	1.00	18,356	18,356	1,785	1,785	8	8	36	36	0	0	0	0	20,185	20,185
1	1.17	2,264	2,649	567	663	14	16	43	50	1	1	0	0	2,889	3,379
1-1/2	1.58	3	5	14	22	0	0	2	3	0	0	0	0	19	30
2	2.04	33	67	354	722	34	69	53	108	1	2	5	10	480	978
3	2.73	0	0	0	0	0	0	0	0	0	0	1	3	1	3
4	2.88	0	0	14	40	16	46	4	12	0	0	0	0	34	98
6	4.24	0	0	5	21	5	21	0	0	2	8	42	178	54	228
8	6.98	0	0	1	7	1	7	4	28	2	14	156	1,089	164	1,145
10	9.50	0	0	0	0	0	0	0	0	0	0	106	1,007	106	1,007
12	12.16	0	0	0	0	0	0	0	0	0	0	7	85	7	85
Total		<u>20,656</u>	<u>21,077</u>	<u>2,740</u>	<u>3,260</u>	<u>78</u>	<u>167</u>	<u>142</u>	<u>237</u>	<u>6</u>	<u>25</u>	<u>317</u>	<u>2,372</u>	<u>23,939</u>	<u>27,138</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	\$ 209,780	0.6192
Commercial	67,079	0.1982
Industrial	21,262	0.0628
Other Public Authority	10,539	0.0311
Sales for Resale	9,383	0.0277
Private Fire Protection	7,681	0.0227
Public Fire Protection	12,964	0.0383
Total	<u>338,689</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	\$ 71,634	0.3481
Commercial	44,319	0.2154
Industrial	20,357	0.0989
Other Public Authority	5,791	0.0281
Sales for Resale	10,151	0.0493
Private Fire Protection	10,959	0.0533
Public Fire Protection	42,569	0.2069
Total	<u>\$205,781</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	20,656	0.8622
Commercial	2,740	0.1144
Industrial	78	0.0033
Other Public Authority	142	0.0059
Sales for Resale	6	0.0003
Private Fire Protection	332	0.0139
Public Fire Protection	0	0.0000
	<u>23,954</u>	<u>1.0000</u>
Total	<u>23,954</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)
Residential	20,656	0.8744
Commercial	2,740	0.1160
Industrial	78	0.0033
Other Public Authority	142	0.0060
Sales for Resale	6	0.0003
	<u>23,622</u>	<u>1.0000</u>
Total	<u>23,622</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$1,091,137	0.5118
Commercial	445,525	0.2090
Industrial	348,132	0.1633
Other Public Authority	55,483	0.0260
Sales for Resale	89,641	0.0420
Private Fire Protection	29,464	0.0138
Public Fire Protection	72,776	0.0341
	<hr/>	<hr/>
Total	<u>\$2,132,158</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	\$847,761	0.5081
Commercial	350,762	0.2103
Industrial	255,657	0.1533
Other Public Authority	45,174	0.0271
Sales for Resale	69,753	0.0418
Private Fire Protection	26,226	0.0157
Public Fire Protection	72,865	0.0437
Total	<u>\$1,668,199</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	\$31,607,504	0.3964
Commercial	18,725,999	0.2348
Industrial	17,623,383	0.2210
Other Public Authority	2,403,172	0.0301
Sales for Resale	4,391,687	0.0551
Private Fire Protection	1,868,411	0.0234
Public Fire Protection	3,127,838	0.0392
Total	<u>\$79,747,993</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	\$29,908,760	0.3969
Commercial	17,683,298	0.2347
Industrial	16,629,226	0.2207
Other Public Authority	2,269,181	0.0301
Sales for Resale	4,144,282	0.0550
Private Fire Protection	1,761,747	0.0234
Public Fire Protection	2,953,294	0.0392
Total	<u>\$75,349,789</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	\$7,873,631	0.4360
Commercial	4,065,410	0.2251
Industrial	3,687,956	0.2042
Other Public Authority	514,970	0.0285
Sales for Resale	914,777	0.0507
Private Fire Protection	360,047	0.0199
Public Fire Protection	643,169	0.0356
Total	<u>\$18,059,961</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN DISTRICT
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, 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 Public (9) (10)	
			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
RATE BASE													
Organization	17	\$ 9,547	\$ 3,784	\$ 2,242	\$ 2,110	\$ 287	\$ 526	\$ 223	\$ 374				
Franchises	17	20,740	8,221	4,870	4,584	624	1,143	485	813				
Land & Ld Rights SS	2	146,950	51,065	37,531	43,453	4,835	9,581	176	309				
Land & Ld Rights P	6	12,561	4,364	3,204	3,611	413	816	54	98				
Land & Ld Rights WT	2	266,609	92,647	68,092	78,836	8,771	17,383	320	560				
Land & Ld Rights TD	7	25,980	9,210	6,570	3,146	847	1,582	1,665	2,959				
Land & Land Rights AG	15	717	367	150	117	19	30	10	24				
Struct & Imp SS	2	4,872,811	1,693,302	1,244,516	1,440,890	160,315	317,707	5,847	10,233				
Struct & Imp P	6	2,959,935	1,028,281	755,079	850,981	97,382	192,396	12,728	23,087				
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	8,701,207	3,023,670	2,222,288	2,572,947	286,270	567,319	10,441	18,273				
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	3,163,628	1,121,506	800,082	383,115	103,134	192,665	202,789	360,337				
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0				
Struct & Imp AG	7	467,811	165,839	118,309	56,652	15,251	28,490	29,987	53,284				
Struct & Imp Offices	15	(72,872)	(37,296)	(15,230)	(11,900)	(1,895)	(3,061)	(1,006)	(2,485)				
Gen Structures HVAC	15	0	0	0	0	0	0	0	0				
Struct & Imp Leasehold	15	4,094	2,096	856	669	106	172	57	140				
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0				
Struct & Imp Store,Shop,Gar	15	29,130	14,909	6,088	4,757	757	1,223	402	993				
Struct & Imp Misc	15	76,409	39,106	15,969	12,478	1,987	3,209	1,054	2,606				
Collect & Impounding	1	25,897	7,862	6,402	8,836	824	1,831	52	91				
Lake, River & Other Intakes	2	481,969	167,484	123,095	142,518	15,857	31,424	578	1,012				
Wells & Springs	2	3,217,761	1,118,172	821,816	951,492	105,864	209,798	3,861	6,757				
Supply Mains	2	3,778,502	1,313,029	965,029	1,117,303	124,313	246,358	4,534	7,935				
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	6	1,474,398	512,206	376,119	423,889	48,508	95,836	6,340	11,500				
Power Generation Equip Othe	6	(6,786)	(2,357)	(1,731)	(1,951)	(223)	(441)	(29)	(53)				
Boiler Plant Equipment P	6	343	119	87	99	11	22	1	3				
Pump Equip Steam	6	6,907	2,400	1,762	1,986	227	449	30	54				
Pump Equip Electric	6	6,291,222	2,185,571	1,604,891	1,808,726	206,981	408,929	27,052	49,072				
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				

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN DISTRICT
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, 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 Public (9) (10)	
Pump Equip Diesel	6	99,382	34,525	25,352	28,572	3,270	6,460	427	775					
Pump Equip Diesel Stratman	6	0	0	0	0	0	0	0	0					
Pump Equip Diesel Crtl Pit	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	147,345	51,188	37,588	42,362	4,848	9,577	634	1,149					
Pump Equip WT	6	0	0	0	0	0	0	0	0					
Pump Equip TD	6	168,643	58,587	43,021	48,485	5,548	10,962	725	1,315					
WT Equip Non-Media	2	14,212,341	4,938,788	3,629,832	4,202,589	467,586	926,645	17,055	29,846					
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0					
WT Equip Non-Media Crtl 1 &	2	0	0	0	0	0	0	0	0					
WT Equip Non-Media Crtl 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	174,529	60,649	44,575	51,608	5,742	11,379	209	367					
Dist Reservoirs & Standpipe	5	2,875,752	885,156	623,175	609,372	79,946	146,376	191,813	339,914					
Elevated Tanks & Standpipes	5	2,535,350	780,381	549,410	537,241	70,483	129,049	169,108	299,678					
Ground Level Facilities	5	3,424	1,054	742	725	95	174	228	405					
TD Mains Not Classified by	7	813,449	288,368	205,721	98,509	26,518	49,539	52,142	92,652					
TD Mains 4 & Less	4	746,532	268,901	190,366	61,514	24,486	45,165	56,214	99,886					
TD Mains 6 to 8"	4	6,178,150	2,225,370	1,575,428	509,080	202,643	373,778	465,215	826,637					
TD Mains 10 to 16"	3	3,751,540	1,244,386	914,625	1,058,309	117,423	233,721	66,027	117,048					
TD Mains 18 & Grtr	3	287,866	95,485	70,182	81,207	9,010	17,934	5,066	8,981					
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					
TD Mains DI 4in (STL)	4	0	0	0	0	0	0	0	0					
Fire Mains	8	5,132	0	0	0	0	0	0	0					
Services	10	5,936,442	4,610,834	712,967	36,806	51,647	5,343	518,845	5,132					
Meters Bronze Case	9	1,049,694	790,420	179,813	35,480	32,331	11,652	0	0					
Meters Plastic Case	9	11,933	8,985	2,044	403	368	132	0	0					
Meters Other	9	37,544	28,270	6,431	1,269	1,156	417	0	0					
Meters Other-Rem Rdr Units	9	51,092	38,473	8,752	1,727	1,574	567	0	0					
Meter Installations	9	2,650,692	1,995,971	454,064	89,593	81,641	29,423	0	0					
Meter Installation Other	9	0	0	0	0	0	0	0	0					

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, 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 (9) (10)	
							Private	Public	Private	Public
Meter Vaults	9	984	741	168	33	30	11	0	0	0
Hydrants	8	713,424	0	0	0	0	0	0	0	713,424
Other P/E Intangible	15	0	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	7,986	2,775	2,040	2,361	263	521	10	17	17
Other P/E TD	7	(868)	(308)	(220)	(105)	(28)	(53)	(56)	(99)	(99)
Office Furniture & Equip	15	44,001	22,519	9,196	7,185	1,144	1,848	607	1,500	1,500
Comp & Periph Equip	15	50,940	26,071	10,647	8,319	1,324	2,139	703	1,737	1,737
Computer Software	15	253,609	129,797	53,004	41,414	6,594	10,652	3,500	8,648	8,648
Comp Software Personal	15	123,624	63,271	25,837	20,188	3,214	5,192	1,706	4,216	4,216
Comp Software Other	15	8,098	4,144	1,692	1,322	211	340	112	276	276
Data Handling Equipment	15	0	0	0	0	0	0	0	0	0
Other Office Equipment	15	3,817	1,954	798	623	99	160	53	130	130
Trans Equip Lt Duty Trks	15	20,660	10,574	4,318	3,374	537	868	285	704	704
Trans Equip Hwy Duty Trks	15	(159,849)	(81,811)	(33,408)	(26,103)	(4,156)	(6,714)	(2,206)	(5,451)	(5,451)
Stores Equip Autos	15	5,436	2,782	1,136	888	141	228	75	185	185
Trans Equip Other	15	7,732	3,957	1,616	1,263	201	325	107	264	264
Trans Equip Other	15	58,297	29,836	12,184	9,520	1,516	2,448	804	1,988	1,988
Stores Equipment	15	(2,172)	(1,111)	(454)	(355)	(56)	(91)	(30)	(74)	(74)
Tools,Shop,Garage Equip	15	563,350	288,322	117,740	91,995	14,647	23,661	7,774	19,210	19,210
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0	0
Laboratory Equipment	2	81,386	28,282	20,786	24,066	2,678	5,306	98	171	171
Laboratory Equip Other	2	0	0	0	0	0	0	0	0	0
Power Operated Equipment	15	36,017	18,433	7,528	5,882	936	1,513	497	1,228	1,228
Comm Equip Non-Telephone	15	36,349	18,603	7,597	5,936	945	1,527	502	1,239	1,239
Remote Control & Instr	15	227,769	116,572	47,604	37,195	5,922	9,566	3,143	7,767	7,767
Comm Equip Telephone	15	(31,038)	(15,885)	(6,487)	(5,069)	(807)	(1,304)	(428)	(1,058)	(1,058)
Misc Equipment	15	36,426	18,643	7,613	5,948	947	1,530	503	1,242	1,242
Other Tangible Property	17	0	0	0	0	0	0	0	0	0
Total Utility Plant in Service		79,778,280	31,619,509	18,733,110	17,630,077	2,404,083	4,393,356	1,869,120	3,129,025	3,129,025

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN DISTRICT
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007, 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 (9)	
							Private	Public	Private	Public
Other Rate Base Items										
Add:										
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0	0
Cash Working Capital	15	0	0	0	0	0	0	0	0	0
Materials and Supplies	15	326,803	167,258	68,302	53,367	8,497	13,726	4,510	11,144	11,144
Prepayments	15	76,839	39,326	16,059	12,548	1,998	3,227	1,060	2,620	2,620
OPEB's Contributed to External Fund	16	244,547	124,254	51,428	37,489	6,627	10,222	3,839	10,687	10,687
Pension / OPEB Tracker	16	33,685	17,115	7,084	5,164	913	1,408	529	1,472	1,472
Regulatory Deferrals	17	167,450	66,377	39,317	37,006	5,040	9,226	3,918	6,564	6,564
Less:										
Accumulated Amortization	15	0	0	0	0	0	0	0	0	0
Accumulated Deferred ITC (3%)	17	(8,585)	(3,403)	(2,016)	(1,897)	(258)	(473)	(201)	(337)	(337)
Deferred Income Taxes	17	(4,974,212)	(1,971,778)	(1,167,945)	(1,099,301)	(149,724)	(274,079)	(116,397)	(194,989)	(194,989)
Pensions	16	(295,019)	(149,899)	(62,042)	(45,226)	(7,995)	(12,332)	(4,632)	(12,892)	(12,892)
Total Other Rate Base Elements		(4,428,492)	(1,710,749)	(1,049,813)	(1,000,850)	(134,902)	(249,074)	(107,372)	(175,731)	(175,731)
Total Original Cost Measure of Value		\$ 75,349,789	\$ 29,908,760	\$ 17,683,298	\$ 16,629,226	\$ 2,269,181	\$ 4,144,282	\$ 1,761,747	\$ 2,953,294	\$ 2,953,294

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2007

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	9.656	14.110	1.46	8/29/1990
1991	9.954	16.140	1.62	7/22/1991
1992	9.610	14.828	1.54	6/30/1992
1993	9.947	12.940	1.30	8/23/1993
1994	10.586	15.120	1.43	7/6/1994
1995	10.895	16.800	1.55	8/30/1995
1996	11.063	15.440	1.40	6/26/1996
1997	10.681	14.900	1.40	7/31/1997
1998	10.902	15.760	1.45	9/4/1998
1999	10.993	18.452	1.68	7/30/1999
2000	11.334	18.747	1.65	8/29/2000
2001	10.862	16.432	1.51	7/20/2001
2002	11.694	18.552	1.59	8/2/2002
2003	11.217	17.360	1.55	8/18/2003
2004	11.673	19.768	1.69	8/23/2004
2005	12.632	19.322	1.53	7/23/2005
2006	13.750	21.691	1.58	8/2/2006
2007	13.265	21.450	1.62	8/9/2007

MISSOURI-AMERICAN WATER COMPANY
JOPLIN 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	4.9	20	
3 -inch	9.00	11	99	
4 -inch	16.00	0	0	
6 -inch	36.00	42	1,512	
8 -inch	64.00	156	9,984	
10 -inch	100.00	106	10,600	
12 -inch	144.00	7	1,008	
Private Hydrants	26.50	4.9	130	
Total Private Fire Protection		<u>331.8</u>	<u>23,353</u>	0.3604
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
5 1/4 Valve	1- 2-1/2" & 1- 4 1/2"		26.50	495
4 1/2" Valve	1- 2-1/2" & 1- 4 1/2"		20.25	1,063
4 3/4" Valve	1- 2-1/2" & 1- 4 1/2"		22.56	158
5" Valve	1- 2-1/2" & 1- 4 1/2"		25.00	6
4 1/2" Valve	1-2 1/2"		6.25	495
Total Public Fire Protection		<u>2,217</u>	<u>41,453</u>	<u>0.6396</u>
Total Fire Protection		<u><u>2,549</u></u>	<u><u>64,806</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

CALCULATION OF CUSTOMER CHARGE

(1) Expense Related to Meters	\$ 1,930,494	
(2) Meter Equivalents X 12	356,256	
(3) Expense per Bill - Meter related		\$ 5.42
(4) Expense Related to Services	\$ 900,290	
(5) Service Equivalents X 12	297,192	
(6) Expense per Bill - Services related		3.03
(7) Expense Related to Billing and Collecting	\$ 1,449,023	
(8) Number of Customers X 12	287,446	
(9) Expense per Bill - Billing and Collecting		<u>5.04</u>
(10) Total Customer Charge (3)+(6)+(9)		<u>\$ 13.49</u>