

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 (a)		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	\$ 206,883	76.3%	\$ 153,381	73.5%	\$ 202,012	74.6%	\$ 48,631	31.7%
Commercial	52,972	19.6%	39,423	19.1%	52,125	19.2%	12,702	32.2%
Industrial	988	0.4%	960	0.5%	993	0.4%	33	3.4%
Public Authority	8,030	3.0%	6,645	3.2%	8,101	3.0%	1,456	21.9%
Sales for Resale	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Private Fire Service	1,943	0.7%	7,612	3.7%	7,612	2.8%	-	0.0%
Public Fire Service	-	0.0%	\$0	0.0%	\$0	0.0%	-	0.0%
Total Sales	270,816	100.0%	208,021	100.0%	270,843	100.0%	62,822	30.2%
Other Revenues	3,323		\$3,323		\$3,323		-	0.0%
Total	\$ 274,139		\$ 211,344		\$ 274,166		\$ 62,822	29.7%

(a) Cost of Service is net of revenue contribution from St. Louis Metro Area District.

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ 2,265	\$ 1,697	\$ 470	\$ 6	\$ 77	\$ -	\$ 1	\$ 14
Labor & Exp Oper SS	2	181	136	38	0	6	0	0	1
Labor & Exp Oper SS	2	344	258	71	1	12	0	0	2
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		2,790	2,090	579	8	95	0	1	17
Misc Exp Oper SS	2	4,754	3,561	987	13	162	0	1	29
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
Infil Gall & Tunnels 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
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	150	112	31	0	0	0	0	0
Misc Plant Maint SS	2	638	478	132	2	5	0	0	1
TOTAL SS EXPENSE - MAINTENANCE		5,542	4,151	1,150	15	22	0	0	4
TOTAL SS EXPENSE		8,332	6,242	1,730	22	284	0	2	34
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	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	7,201	5,262	1,582	24	258	0	4	71
Labor & Exp Oper Pump	6	24,184	15,424	4,276	56	704	0	186	3,538
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)	Fire Protection Public (10)
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	0	0	0	0	0	0	0	0
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		31,385	20,687	5,858	79	962	0	190	3,609
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	19,754	12,599	3,492	45	575	0	152	2,890
Pump Equip Maint P	6	302	193	53	1	9	0	2	44
TOTAL PUMPING EXPENSES - MAINTENANCE		20,056	12,792	3,546	46	584	0	154	2,934
TOTAL PUMPING EXPENSES		51,440	33,478	9,404	126	1,545	0	344	6,543
WATER TREATMENT									
Super & Eng Oper WT	2	12,099	9,064	2,512	33	413	0	4	75
Chemicals	1	7,742	5,658	1,701	26	277	0	4	77
Labor & Exp Oper WT	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	3,380	2,532	702	9	115	0	1	21
Misc Exp Oper WT	2	1,588	1,190	330	4	54	0	0	10
Misc Exp Oper WT	1	4,713	3,444	1,035	16	169	0	2	47
Misc Exp Oper WT	2	1,271	952	264	3	43	0	0	8
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		30,793	22,839	6,543	91	1,071	0	12	237
Super & Eng Maint WT	2	20,243	15,164	4,202	55	690	0	6	126
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	15,715	11,772	3,262	42	536	0	5	97
TOTAL WT EXPENSE - MAINTENANCE		35,958	26,936	7,465	97	1,226	0	11	223
TOTAL WT EXPENSE		66,751	49,775	14,008	188	2,297	0	23	460
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	1,654	608	162	2	26	0	43	813
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	1,346	495	132	2	21	0	35	662
TD Lines Exp	7	68	25	7	0	1	0	2	33
Meter Expense	9	0	0	0	0	0	0	0	0
Meter Expense	9	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)	Fire Protection Public (10)
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	306	113	30	0	5	8	150	150
Misc Exp Oper TD	11	499	183	49	1	8	13	245	245
Misc Exp Oper TD	11	1,881	692	184	3	30	48	925	925
Rents Oper TD	11	15	6	1	0	0	0	7	7
TOTAL T & D EXPENSE OPERATION		5,770	2,122	565	8	91	0	148	2,836
Super & Eng Maint TD	12	1,654	2	0	0	0	0	0	1,651
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	1	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	3	2	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	1,715	0	0	0	0	0	0	1,715
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	2,161	3	1	0	0	0	0	2,157
Misc Maint TD	12	48	0	0	0	0	0	0	48
Amort Def Maint TD	5	2,590	1,261	339	2	55	0	46	886
TOTAL T & D EXPENSE - MAINTENANCE		8,172	1,269	341	2	55	0	46	6,458
TOTAL T & D EXPENSE		13,942	3,391	906	10	146	0	195	9,294
CUSTOMER ACCOUNTS									
Supervision CA	13	1,654	1,357	249	7	26	0	15	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
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	1,934	1,586	291	9	30	0	17	0
Uncollectible Accts	13	6,345	5,204	955	29	100	0	57	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	4,206	3,450	633	19	66	0	38	0
Cust Serv & Info Exp CA	13	0	0	0	0	0	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		14,139	11,596	2,129	64	222	0	127	0
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	31,683	21,158	5,601	82	890	0	158	3,792
Other Supplies & Exp AG	15	6	4	1	0	0	0	0	1
Other Supplies & Exp AG	15	(2,252)	(1,504)	(398)	(6)	(63)	0	(11)	(270)
Other Supplies & Exp AG	15	7,292	4,870	1,289	19	205	0	36	873
Mgmt Fees-Admin	15	15,883	10,607	2,808	41	446	0	79	1,901
Mgmt Fees-Customer Service	13	6,059	4,970	913	27	95	0	55	0
Mgmt Fees-Belleville Lab	2	593	444	123	2	20	0	0	4
Mgmt Fees- Employee	16	2,609	1,710	465	6	75	0	13	339
Outside Services AG	15	11,467	7,658	2,027	30	322	0	57	1,373
Outside Services AG	15	20,823	13,906	3,682	54	585	0	104	2,493
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	4,150	2,771	734	11	117	0	21	497
Ins Work Comp AG	16	2,980	1,953	531	7	86	0	15	387
Ins Other Oper AG	15	603	402	107	2	17	0	3	72
Property Insurance	15	2,053	1,371	363	5	58	0	10	246
Injuries & Damages	16	39	26	7	0	1	0	0	5
Employee Pension & Benefits	16	31,859	20,883	5,680	76	921	0	162	4,135
Employee Pension & Benefits	16	8,449	5,538	1,506	20	244	0	43	1,097
Employee Pension & Benefits	16	5,408	3,545	964	13	156	0	28	702
Reg Commission Exp	15	485	324	86	1	14	0	2	58
Rents AG	15	43	29	8	0	1	0	0	5
Goodwill Advertising Exp	15	305	204	54	1	9	0	2	37
Misc Exp AG	15	14,908	9,956	2,636	39	419	0	75	1,785
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		165,445	110,824	29,187	431	4,618	0	854	19,530
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	218	146	39	1	6	0	1	26
TOTAL A & G EXPENSE - MAINTENANCE		218	146	39	1	6	0	1	26
TOTAL A & G EXPENSE		165,663	110,970	29,226	432	4,625	0	855	19,556
Total Operation & Maintenance Expenses		320,267	215,452	57,402	842	9,120	0	1,546	35,905

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
DEPRECIATION EXPENSE									
Organization	17	0	0	0	0	0	0	0	0
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	0	0	0	0	0	0	0	0
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	7	0	0	0	0	0	0	0	0
Land & Ld Rights TD	15	0	0	0	0	0	0	0	0
Land & Land Rights AG	2	0	0	0	0	0	0	0	0
Struct & Imp SS	2	588	440	122	2	20	0	0	4
Struct & Imp P	6	992	633	175	2	29	0	8	145
Struct & Imp WT	2	6,071	4,548	1,260	16	207	0	2	38
Struct & Imp TD	7	702	258	69	1	11	0	18	345
Struct & Imp Offices	15	102	68	18	0	3	0	1	12
Struct & Imp Store, Shop, Gar	15	12	8	2	0	0	0	0	1
Struct & Imp Misc	15	422	282	75	1	12	0	2	51
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Infiltration Galleries & Tunnels	2	30	22	6	0	1	0	0	0
Wells & Springs	2	3,490	2,614	725	9	119	0	1	22
Supply Mains	2	1,291	967	268	3	44	0	0	8
Power Generation Equip	6	30	19	5	0	1	0	0	4
Power Generation Equip Other	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	2,639	1,683	467	6	77	0	20	386
Pump Equip Other	6	475	303	84	1	14	0	4	69
WT Equip Non-Media	2	5,693	4,265	1,182	15	194	0	2	35
WT Equip Filter Media	2	2,050	1,536	426	6	70	0	1	13
Dist Reservoirs & Standpipe	5	1,190	579	156	1	25	0	21	407
Elevated Tanks & Standpipes	5	539	262	71	0	11	0	10	184
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	5,402	1,986	529	8	85	0	139	2,655
TD Mains 4 & Less	4	974	317	83	1	13	0	28	531
TD Mains 6 to 8"	4	1,920	626	165	2	26	0	55	1,046
TD Mains 10 to 16"	3	3	2	1	0	0	0	0	0
TD Mains 18 & Grtr	3	1	1	0	0	0	0	0	0
Services	10	7,345	5,915	1,157	32	129	0	0	0
Meters Bronze Case	9	1,473	1,170	262	9	31	0	112	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	408	324	73	3	9	0	0	0
Meters Other-Rem Rdr Units	9	301	239	54	2	6	0	0	0
Meter Installations	9	2,401	1,907	427	15	51	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	2,110	0	0	0	0	0	0	2,110
Other P/E Intangible	17	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
Utility Plant Acquisition Adjustment	17	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	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	88	59	16	0	2	0	0	0
Comp & Periph Equip	15	905	604	160	2	25	0	5	11
Computer Software	15	871	582	154	2	24	0	4	108
Comp Software Personal	15	17	11	3	0	0	0	0	104
Comp Software Other	15	708	473	125	2	20	0	0	2
Data Handling Equipment	15	3,148	2,102	557	8	88	0	16	85
Other Office Equipment	15	203	136	36	1	6	0	1	377
Trans Equip Lt Duty Trks	15	0	0	0	0	0	0	0	24
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
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	459	307	81	1	13	0	0	0
Tools Shop Garage Equip	15	2,255	1,506	399	6	63	0	2	55
Tools Shop Garage Equip Oth	15	0	0	0	0	0	0	11	270
Laboratory Equipment	2	1,032	773	214	3	35	0	0	0
Laboratory Equip Other	2	0	0	0	0	0	0	0	6
Power Operated Equipment	15	230	154	41	1	6	0	0	0
Comm Equip Non-Telephone	15	2	1	0	0	0	0	1	28
Remote Control & Instr	15	473	316	84	1	13	0	2	0
Comm Equip Telephone	15	2	1	0	0	0	0	0	57
Misc Equipment	15	7,090	4,735	1,254	18	199	0	35	0
Other Tangible Property	15	1,228	820	217	3	35	0	6	849
Total Depreciation Expense		67,365	43,555	11,200	187	1,721	0	512	10,190

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
Amort-Other UP	18	127	77	20	0	3	0	1	26
Amort-Intangible Fin	2	159	119	33	0	5	0	0	1
Taxes Other Than Income									
Utility Reg Assessment Fee	19	1,463	940	246	4	38	0	11	224
Property Taxes	18	29,384	17,780	4,572	76	702	0	294	5,959
FUTA	16	151	99	27	0	4	0	1	20
FICA	16	8,456	5,543	1,508	20	244	0	43	1,098
SUTA	16	338	222	60	1	10	0	2	44
Other Taxes & Licenses	15	117	78	21	0	3	0	1	14
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		39,909	24,662	6,434	102	1,003	0	351	7,358
Income Taxes	18	66,688	40,353	10,377	173	1,594	0	667	13,524
Utility Income Available for Return	18	170,520	103,182	26,533	443	4,075	0	1,705	34,581
Revenue Contribution	19	(390,896)	(251,229)	(65,827)	(1,016)	(10,281)	0	(2,814)	(59,729)
Total Cost of Service		274,139	176,171	46,172	732	7,241	0	1,967	41,857
Less: Other Water Revenues	19	3,323	2,136	560	9	87	0	24	508
Total Other Water Revenues		3,323	2,136	560	9	87	0	24	508
Total Cost of Service Related to Sales of Water		\$ 270,816	\$ 174,036	\$ 45,612	\$ 723	\$ 7,153	\$ -	\$ 1,943	\$ 41,349
Reallocation of Public Fire	20	0	32,847	7,360	265	877	0	0	(41,349)
Total		\$ 270,816	\$ 206,883	\$ 52,972	\$ 988	\$ 8,030	\$ -	\$ 1,943	\$ -

**MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	44.9	0.7308
Commercial	13.5	0.2197
Industrial	0.2	0.0033
Other Public Authority	2.2	0.0358
Sales for Resale	0.0	0.0000
Private Fire Protection	0.0	0.0005
Public Fire Protection	0.6	0.0099
Total	61.4	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 0.6250	(4)	(5)=(4)x 0.3750	(6)=(3)+(5)
Residential	0.7308	0.4567	0.7795	0.2924	0.7491
Commercial	0.2197	0.1373	0.1875	0.0703	0.2076
Industrial	0.0033	0.0021	0.0017	0.0006	0.0027
Other Public Authority	0.0358	0.0224	0.0313	0.0117	0.0341
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0005	0.0003			0.0003
Public Fire Protection	0.0099	0.0062			0.0062
Total	1.0000	0.6250	1.0000	0.3750	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
BRUNSWICK 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	44.9	1.0	44.9	0.7795
Commercial	13.5	0.8	10.8	0.1875
Industrial	0.2	0.5	0.1	0.0017
Other Public Authority	2.2	0.8	1.8	0.0313
Sales for Resale	0.0	0.6	0.0	0.0000
Total	<u>60.8</u>		<u>57.6</u>	<u>1.0000</u>

The weighting of the factors is based on the maximum day ratio of 1.60, 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	0.6250
Maximum Day Extra Capacity	<u>0.60</u>	<u>0.3750</u>
Total	<u>1.60</u>	<u>1.0000</u>

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 0.5322	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.3194	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.1484	
Residential	0.7308	0.3888	0.7795	0.2490			0.6378
Commercial	0.2197	0.1169	0.1875	0.0599			0.1768
Industrial	0.0033	0.0018	0.0017	0.0005			0.0023
Other Public Authority	0.0358	0.0191	0.0313	0.0100			0.0291
Sales for Resale	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection	0.0005	0.0003			0.0498	0.0074	0.0077
Public Fire Protection	0.0099	0.0053			0.9502	0.1410	0.1463
Total	1.0000	0.5322	1.0000	0.3194	1.0000	0.1484	1.0000

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 1.60 and the average daily system sendout for 2007 of 0.129 MGD. The system demand for fire protection is 300 Gallons per minute for 2 hours.

	check peak day		
	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	129,140	0.5322
Maximum Day			
Extra Capacity	<u>0.60</u>	<u>77,484</u>	<u>0.3194</u>
Subtotal	<u>1.60</u>	206,624	0.8516
Fire Protection		<u>36,000</u>	<u>0.1484</u>
Total		<u>242,624</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
BRUNSWICK 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 0.1715	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.2571	Allocation Factor (7)	Allocation Factor (8)=(7) X 0.5714	Allocation Factor (9)=(4)+(6)+(8)	
Residential	1.87	0.7304	0.1253	0.7807	0.2007			0.3259	
Commercial	0.56	0.2188	0.0375	0.1871	0.0481			0.0857	
Industrial	0.01	0.0039	0.0007	0.0024	0.0006			0.0013	
Other Public Authority	0.09	0.0352	0.0060	0.0298	0.0077			0.0137	
Sales for Resale	0.00	0.0000	0.0000	0.0000	0.0000			0.0000	
Private Fire Protection	0.00	0.0000	0.0000			0.0498	0.0285	0.0285	
Public Fire Protection	0.03	0.0117	0.0020			0.9502	0.5429	0.5449	
Total	2.56	1.0000	0.1715	1.0000	0.2571	1.0000	0.5714	1.0000	

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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 0.129 MGD. The system demand for fire protection is 300 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	90	0.1715
Maximum Hour Extra Capacity	1.50	135	0.2571
Subtotal	<u>2.50</u>	225	0.4286
Fire Protection		300	0.5714
Total		<u>525</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	1.87	3.5	6.55	0.7807
Commercial	0.56	2.8	1.57	0.1871
Industrial	0.01	1.5	0.02	0.0024
Other Public Authority	0.09	2.8	0.25	0.0298
Sales for Resale	0.00	2.0	0.00	0.0000
Total	<u>2.53</u>		<u>8.39</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
BRUNSWICK 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	Allocation Factor	Weighted Factor	Allocation Factor	
	(2)	(3)	(4)=(3) X 0.2560	(5)	(6)=(5) X 0.3840	(7)	(8)=(7) X 0.3600	(9)=(4)+(6)+(8)	
Residential Commercial Industrial	1.9	0.7307	0.1870	0.7807	0.2999			0.4869	
	0.6	0.2308	0.0591	0.1871	0.0718			0.1309	
	0.0	0.0000	0.0000	0.0024	0.0009			0.0009	
Other Public Authority	0.1	0.0385	0.0099	0.0298	0.0114			0.0213	
Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000	
Private Fire Protection	0.0	0.0000	0.0000			0.0498	0.0179	0.0179	
Public Fire Protection	0.0	0.0000	0.0000			0.9502	0.3421	0.3421	
Total	2.6	1.0000	0.2560	1.0000	0.3840	1.0000	0.3600	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.

$$\text{Fire Protection Weight} = \frac{300 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{100,000 \text{ Gallons}} = 0.3600$$

$$\text{General Service Weight} = 1.0000 - 0.3600 = 0.6400$$

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	0.2560
Extra Capacity Maximum Hour	1.50	60.00	0.3840
Total	2.50	100.00	0.6400

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 0.0000	(4)	(5)=(4)X 1.0000	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.7491	0.0000	0.6378	0.6378	0.3259	0.0000	0.6378
Commercial	0.2076	0.0000	0.1768	0.1768	0.0857	0.0000	0.1768
Industrial	0.0027	0.0000	0.0023	0.0023	0.0013	0.0000	0.0023
Other Public Authority	0.0341	0.0000	0.0291	0.0291	0.0137	0.0000	0.0291
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0003	0.0000	0.0077	0.0077	0.0285	0.0000	0.0077
Public Fire Protection	0.0062	0.0000	0.1463	0.1463	0.5449	0.0000	0.1463
Total	1.0000	0.0000	1.0000	1.0000	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	0	0.0000
Associated with Maximum Day and Fire	100	1.0000
Associated with Maximum Hour	0	0.0000
Total	100	1.0000

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 w/ Fire		Maximum Hourly Consumption		Allocation Factor (6)=(3)+(5)
	Allocation Factor 3 (2)	Weighted Factor (3)=(2)X 0.1339	Allocation Factor 4 (4)	Weighted Factor (5)=(4)X 0.8661	
Residential	0.6378	0.0854	0.3259	0.2823	0.3677
Commercial	0.1768	0.0237	0.0857	0.0742	0.0979
Industrial	0.0023	0.0003	0.0013	0.0011	0.0014
Other Public Authority	0.0291	0.0039	0.0137	0.0119	0.0158
Sales for Resale	0.0000	0.0000	0.0000	0.0000	0.0000
Private Fire Protection	0.0077	0.0010	0.0285	0.0247	0.0257
Public Fire Protection	0.1463	0.0196	0.5449	0.4719	0.4915
Total	<u>1.0000</u>	<u>0.1339</u>	<u>1.0000</u>	<u>0.8661</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	9,795	0.1339
Distribution Mains	<u>63,360</u>	<u>0.8661</u>
Total	<u>73,155</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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.

Customer Classification	Allocation Factor
(1)	(3)
Public Fire Protection	1.0000
Total	1.0000

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.

Customer Classification	5/8" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	375	0.7944
Commercial	84	0.1780
Industrial	3	0.0064
Other Public Authority	10	0.0212
Sales for Resale	0	0.0000
Private Fire	0	0.0000
Total	472	1.0000

MISSOURI-AMERICAN WATER COMPANY
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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	362	362	57	57	0	0	6	6	0	0	425	425
3/4	1.3	0	0	0	0	0	0	0	0	0	0	0	0
1	1.7	0	0	6	10	2	3	0	0	0	0	8	13
1-1/2	3.5	0	0	0	0	0	0	0	0	0	0	0	0
2	4.3	3	13	4	17	0	0	1	4	0	0	8	34
3	19.0	0	0	0	0	0	0	0	0	0	0	0	0
4	29.3	0	0	0	0	0	0	0	0	0	0	0	0
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		365	375	67	84	2	3	7	10	0	0	441	472

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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 <u>(1)</u>	3/4" Dollar Equivalents <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	368	0.8053
Commercial	72	0.1575
Industrial	2	0.0044
Other Public Authority	8	0.0175
Sales for Resale	0	0.0000
Private Fire Protection	<u>7</u>	<u>0.0153</u>
Total	<u><u>457</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
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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	362	362	57	57	0	0	6	6	0	0	0	0	425	425
1	1.17	0	0	6	7	2	2	0	0	0	0	0	0	8	9
1-1/2	1.58	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	2.04	3	6	4	8	0	0	1	2	0	0	0	0	8	16
3	2.73	0	0	0	0	0	0	0	0	0	0	1	3	1	3
4	2.88	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	4.24	0	0	0	0	0	0	0	0	0	0	1	4	1	4
8	6.98	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	9.50	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		365	368	67	72	2	2	7	8	0	0	2	7	443	457

Schedule C-BRU

**MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	\$ 520	0.3677
Commercial	138	0.0979
Industrial	2	0.0014
Other Public Authority	22	0.0158
Sales for Resale	-	0.0000
Private Fire Protection	36	0.0257
Public Fire Protection	695	0.4915
Total	<u>1,414</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	\$ 2	0.0015
Commercial	1	0.0003
Industrial	0	0.0000
Other Public Authority	0	0.0000
Sales for Resale	-	0.0000
Private Fire Protection	0	0.0000
Public Fire Protection	1,716	0.9982
Total	<u>\$1,719</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	365	0.8202
Commercial	67	0.1506
Industrial	2	0.0045
Other Public Authority	7	0.0157
Sales for Resale	0	0.0000
Private Fire Protection	4	0.0090
Public Fire Protection	0	0.0000
Total	445	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	365	0.8277
Commercial	67	0.1519
Industrial	2	0.0045
Other Public Authority	7	0.0159
Sales for Resale	0	0.0000
Total	441	1.0000

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	\$90,118	0.6678
Commercial	23,858	0.1768
Industrial	345	0.0026
Other Public Authority	3,791	0.0281
Sales for Resale	0	0.0000
Private Fire Protection	681	0.0050
Public Fire Protection	16,155	0.1197
Total	\$134,948	1.0000

MISSOURI-AMERICAN WATER COMPANY
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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	\$77,931	0.6555
Commercial	21,197	0.1783
Industrial	290	0.0024
Other Public Authority	3,439	0.0289
Sales for Resale	0	0.0000
Private Fire Protection	607	0.0051
Public Fire Protection	15,430	0.1298
Total	<u>\$118,893</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	\$1,263,909	0.6047
Commercial	324,829	0.1554
Industrial	5,498	0.0026
Other Public Authority	49,856	0.0239
Sales for Resale	0	0.0000
Private Fire Protection	21,071	0.0101
Public Fire Protection	424,801	0.2033
Total	<u>\$2,089,964</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	\$1,199,785	0.6051
Commercial	308,461	0.1556
Industrial	5,218	0.0026
Other Public Authority	47,355	0.0239
Sales for Resale	0	0.0000
Private Fire Protection	19,924	0.0100
Public Fire Protection	402,043	0.2028
Total	<u>\$1,982,787</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	\$426,136	0.6427
Commercial	111,666	0.1684
Industrial	1,743	0.0026
Other Public Authority	17,469	0.0263
Sales for Resale	0	0.0000
Private Fire Protection	4,769	0.0072
Public Fire Protection	101,304	0.1528
Total	<u>\$663,088</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
RATE BASE									
Organization	17	\$ 182	\$ 110	\$ 28	\$ 0	\$ 4	\$ -	\$ 2	\$ 37
Franchises	17	1,092	661	170	3	26	0	11	222
Land & Ld Rights SS	2	11,981	8,975	2,487	32	409	0	4	74
Land & Ld Rights P	6	0	0	0	0	0	0	0	0
Land & Ld Rights WT	2	1,468	1,100	305	4	50	0	0	9
Land & Ld Rights TD	7	571	210	56	1	9	0	15	281
Land & Land Rights AG	15	0	0	0	0	0	0	0	0
Struct & Imp SS	2	20,189	15,123	4,191	55	688	0	6	125
Struct & Imp P	6	51,388	32,776	9,085	118	1,495	0	396	7,518
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	244,819	183,394	50,824	661	8,348	0	73	1,518
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	21,735	7,992	2,128	30	343	0	559	10,683
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp AG	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	3,540	2,364	626	9	99	0	18	424
Gen Structures HVAC	15	0	0	0	0	0	0	0	0
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	452	302	80	1	13	0	2	54
Struct & Imp Misc	15	17,006	11,357	3,007	44	478	0	85	2,036
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Infiltration Galleries & Tunnels	2	1,781	1,334	370	5	61	0	1	11
Wells & Springs	2	141,186	105,763	29,310	381	4,814	0	42	875
Supply Mains	2	47,970	35,934	9,959	130	1,636	0	14	297
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	1,432	913	253	3	42	0	0	0
Power Generation Equip Othe	6	(784)	(500)	(139)	(2)	(23)	0	(6)	209
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	(115)
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	71,968	45,901	12,724	166	2,094	0	554	10,529
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

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Straitman\	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Ctrl 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	18,794	11,987	3,323	43	547	0	145	2,750
Pump Equip WT	6	0	0	0	0	0	0	0	0
Pump Equip TD	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	103,118	77,246	21,407	278	3,516	0	31	639
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	71,191	53,329	14,779	192	2,428	0	21	441
Dist Reservoirs & Standpipe	5	33,218	16,174	4,348	30	708	0	595	11,364
Elevated Tanks & Standpipes	5	21,588	10,511	2,826	19	460	0	386	7,385
Ground Level Facilities	5	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	185,152	68,080	18,126	259	2,925	0	4,758	91,002
TD Mains 4 & Less "	4	48,512	15,810	4,157	63	665	0	1,383	26,434
TD Mains 6 to 8" "	4	263,489	85,871	22,581	343	3,610	0	7,509	143,575
TD Mains 10 to 16" "	3	168	107	30	0	5	0	1	25
TD Mains 18 & Grtr "	3	85	54	15	0	2	0	1	12
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	215,202	173,302	33,894	947	3,766	0	3,293	0
Meters Bronze Case	9	57,282	45,505	10,196	367	1,214	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	581	461	103	4	12	0	0	0
Meters Other-Rem Rdr Unts	9	12,049	9,572	2,145	77	255	0	0	0
Meter Installations	9	89,454	71,062	15,923	573	1,896	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Meter Vaults	9	0	0	0	0	0	0	0	0
Hydrants	8	78,569	0	0	0	0	0	0	78,569
Other P/E Intangible	15	2,294	1,532	406	6	64	0	11	275

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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)
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	3,387	2,262	599	9	95	0	17	405
Office Furniture & Equip	15	2,174	1,452	384	6	61	0	11	260
Comp & Periph Equip	15	5,866	3,917	1,037	15	165	0	29	702
Computer Software	15	2,053	1,371	363	5	58	0	10	246
Comp Software Personal	15	68	45	12	0	2	0	0	8
Comp Software Other	15	4,427	2,956	783	12	124	0	22	530
Data Handling Equipment	15	37,903	25,312	6,701	99	1,065	0	190	4,537
Other Office Equipment	15	2,091	1,396	370	5	59	0	10	250
Trans Equip Lt Duty Trks	15	12,675	8,465	2,241	33	356	0	63	1,517
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	(7)	(5)	(1)	(0)	(0)	0	(0)	(1)
Trans Equip Other	15	(12,484)	(8,337)	(2,207)	(32)	(351)	0	(62)	(1,494)
Stores Equipment	15	14,304	9,552	2,529	37	402	0	72	1,712
Tools,Shop,Garage Equip	15	32,866	21,948	5,811	85	924	0	164	3,934
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	21,372	16,010	4,437	58	729	0	6	133
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	2,980	1,990	527	8	84	0	15	357
Comm Equip Non-Telephone	15	2,145	1,432	379	6	60	0	11	257
Remote Control & Instr	15	9,065	6,054	1,603	24	255	0	45	1,085
Comm Equip Telephone	15	(3,033)	(2,025)	(536)	(8)	(85)	0	(15)	(363)
Misc Equipment	15	114,665	76,573	20,273	298	3,222	0	573	13,725
Other Tangible Property	17	18,275	11,051	2,840	48	437	0	185	3,715
Total Utility Plant in Service		2,109,514	1,275,730	327,867	5,549	50,323	0	21,268	428,776
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	0	0	0	0	0	0	0	0
Materials and Supplies	15	1,676	1,119	296	4	47	0	8	201
Prepayments	15	1,463	977	259	4	41	0	7	175
OPEB's Contributed to External Fund	16	14,390	9,433	2,566	35	416	0	73	1,868
Pension / OPEB Tracker	16	843	553	150	2	24	0	4	109
Regulatory Deferrals	17	23,100	13,969	3,590	60	552	0	233	4,696
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(162,580)	(98,312)	(25,255)	(423)	(3,886)	0	(1,642)	(33,053)
Pensions	16	(5,619)	(3,683)	(1,002)	(13)	(162)	0	(29)	(729)
Total Other Rate Base Elements		(126,727)	(75,945)	(19,406)	(331)	(2,968)	0	(1,344)	(26,733)
Total Original Cost Measure of Value		\$ 1,982,787	\$ 1,199,785	\$ 308,461	\$ 5,218	\$ 47,355	\$ -	\$ 19,924	\$ 402,043

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	0.179	0.275	1.53	12/28/1990
1991	0.208	0.315	1.51	4/6/1991
1992	0.180	0.266	1.47	8/26/1992
1993	0.154	0.299	1.94	7/29/1993
1994	0.154	0.225	1.46	9/24/1994
1995	0.151	0.204	1.35	7/5/1995
1996	0.151	0.242	1.60	2/7/1996
1997	0.149	0.236	1.58	4/2/1997
1998	0.140	0.200	1.43	5/23/1998
1999	0.145	0.238	1.64	5/27/1999
2000	0.147	0.228	1.55	8/27/2000
2001	0.134	0.207	1.54	11/1/2001
2002	0.135	0.192	1.42	6/13/2002
2003	0.127	0.223	1.76	2/2/2003
2004	0.128	0.203	1.58	2/19/2004
2005	0.144	0.197	1.37	8/30/2005
2006	0.133	0.199	1.50	6/27/2006
2007	0.129	0.240	1.86	7/24/2007

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK 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	0	0	
3 -inch	9.00	0	0	
4 -inch	16.00	0	0	
6 -inch	36.00	1	36	
8 -inch	64.00	0	0	
10 -inch	100.00	0	0	
12 -inch	144.00	0	0	
Private Hydrants	6.25	3	19	
Total Private Fire Protection		4	55	0.0498
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
5 1/4" Valve	1-2 1/2" & 1- 4 1/2"	26.5	19	504
4 1/2" Valve	1-2 1/2" & 1- 4 1/2"	20.3	17	344
5 1/2" Valve	1-2 1/2" & 1- 4 1/2"	26.5	1	27
4 1/2" Valve	1-2 1/2"	6.3	12	75
4 1/4" Valve	1-2 1/2"	6.3	13	81
4 1/4" Valve	1-2 1/2" & 1- 4 1/2"	18.1	1	18
Total Public Fire Protection		63	1,049	0.9502
Total Fire Protection		67	1,104	1.0000

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

CALCULATION OF CUSTOMER CHARGE

(1) Expense Related to Meters	51,488	
(2) Meter Equivalents X 12	5,664	
(3) Expense per Bill - Meter related		\$9.09
(4) Expense Related to Services	13,904	
(5) Service Equivalents X 12	5,400	
(6) Expense per Bill - Services related		\$2.57
(7) Expense Related to Billing and Collecting	15,943	
(8) Number of Customers X 12	5,340	
(9) Expense per Bill - Billing and Collecting		\$2.99
(10) Total Customer Charge (3)+(6)+(9)		\$14.65