AN ANALYSIS OF THE COST OF CAPITAL

FOR

MISSOURI PUBLIC SERVICE,

A DIVISION OF UTILICORP UNITED INC.

CASE NO. EC-97-362

BY

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UTILITY SERVICES DIVISION

MISSOURI PUBLIC SERVICE COMMISSION

MARCH 1997

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

List of Schedules

Schedule Number	Description of Schedule
1-1	List of Schedules
1-2	List of Schedules (continued)
2-1	Federal Reserve Discount Rate Changes
2-2	Graph of Federal Reserve Discount Rates
3-1	Average Prime Interest Rates
3-2	Graph of Average Prime Interest Rate
4-1	Rate of Inflation
4-2	Graph of Rate of Inflation
5-1	Average Yields on Moody's Public Utility Bonds
5-2	Average Yields on Thirty Year U.S. Treasury Bonds
5-3	Graph of Average Yields on Moody's Public Utility Bonds and Thirty Year U.S. Treasury Bonds
5-4	Graph of Monthly Spreads Between Yields on Moody's Public Utility Bonds and Thirty Year U.S. Treasury Bonds
6	Graph of Average Yields on Public Utility Bonds and S&P Utility Stock & S&P Industrias Stock Yields
7	Economic Estimates and Projections, 1997 - 1999
8	Historical Consolidated Capital Structures for UtiliCorp United Inc.
9	Selected Financial Ratios for UtilCorp United Inc. (Consolidated Basis)
10	Capital Structure as of December 31, 1995 for UtilCorp United Inc. (Consolidated Basis)
11-1	Embedded Cost of Long-Term Debt as of December 31, 1995 for UtiliCorp United Inc. (Consolidated Basis)
11-2	Annual Amortized Debt Discount & Debt Issuance Expense as of December 31, 1995 for Long-Term Debt of UtiliCorp United Inc. (Consolidated Basis)
11-3	Annual Amortized Loss On Reaquired Debt Expense as of December 31, 1995 for Long-Term Debt of UtiliCorp United Inc. (Consolidated Basis)
12	Embedded Cost of Preferred Stock as of December 31, 1995 for UtiliCorp United Inc. (Consolidated Basis)
13	Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for UtiliCorp United Inc.
14	Historical and Projected Growth Rates for UtiliCorp United Inc.
15	Monthly High / Low Average Dividend Yields for UtiliCorp United Inc.
16	Average Risk Premium Above the Yields of "Baa" Rated Moody's Public Utility Bonds for UtiliCorp United Inc.'s Expected Returns on Common Equity
17	Capital Asset Pricing Model (CAPM) Costs of Equity Estimates for UtiliCorp United Inc.

List of Schedules (continued)

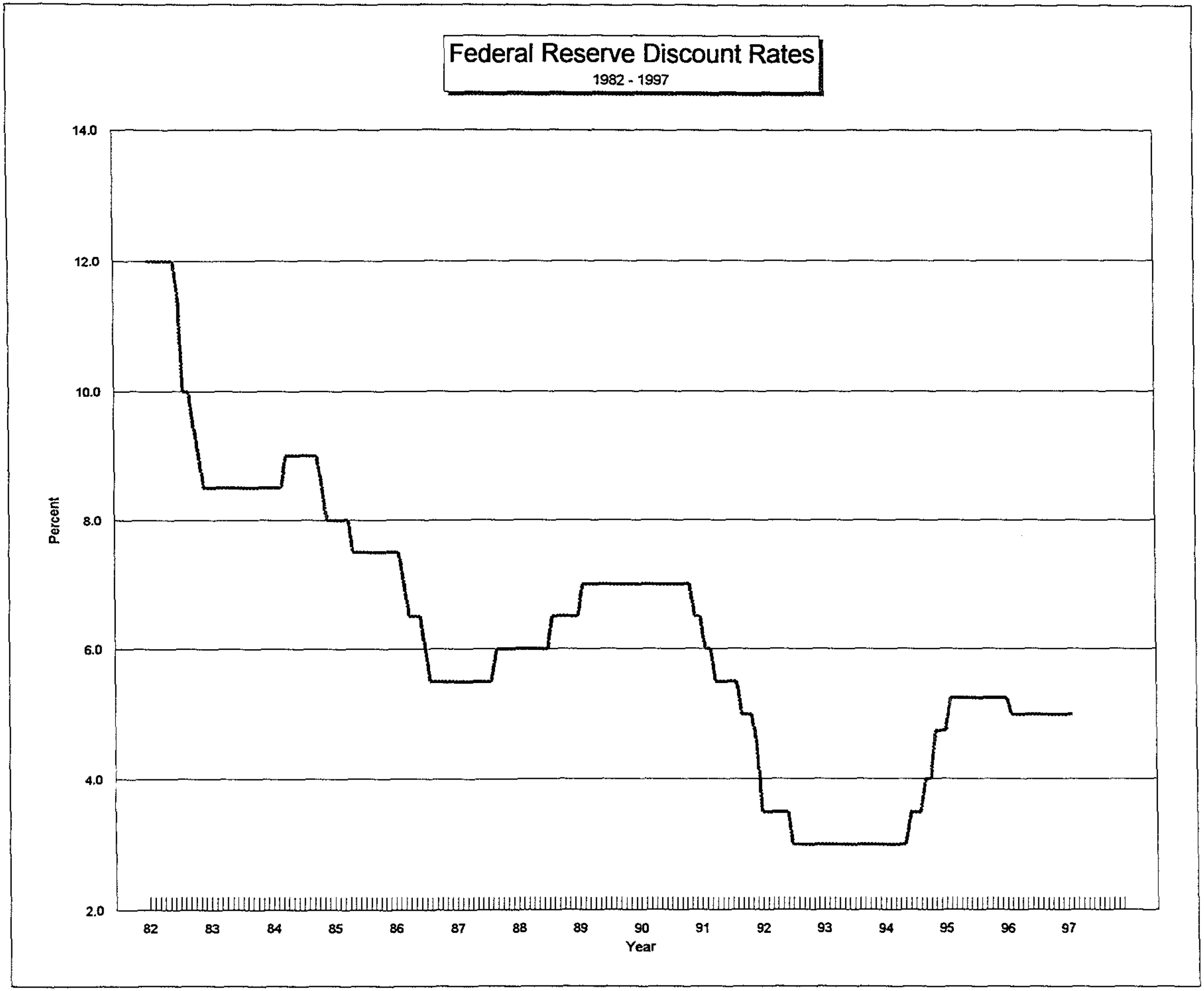
Schedule Number	Description of Schedule
18	Pro Forma Pre-Tax Interest Coverage Ratios for UtiliCorp United Inc. (Consolidated Basis)
19-1	Criterion for Selecting Comparable "BBB" Rated Electric Companies
19-2	Criterion for Selecting Comparable "BBB" Rated Electric Companies
20	Six Comparable "BBB" Rated Electric Companies for UtiliCorp United Inc.
21	Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for the Six Comparable "BBB" Rated Electric Companies
22	Historical and Projected Growth Rates for the Six Comparable "BBB" Rated Electric Companies
23	Average High / Low Stock Price for December 1, 1996 through March 23, 1997 for the Six Comparable "BBB" Rated Electric Companies
24	Discounted Cash Flow Estimated Costs of Common Equity for the Six Comparable "BBB" Rated Electric Companies
25	Capital Asset Pricing Model (CAPM) Costs of Common Equity Estimates for the Six Comparable "BBB" Rated Electric Companies
26	Long-Term Debt Ratios, Market-to-Book Values and Returns on Common Equity for the Six Comparable "BBB" Rated Electric Companies
27	Public Utility Revenue Requirement or Cost of Service
28	Weighted Cost of Capital as of December 31, 1995 for UtiliCorp United Inc. (Consolidated Basis)

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Federal Reserve Discount Rate Changes

Date	Discount Rate
01/01/82	12.00%
07/20/82	11.50%
08/02	11.00%
08/16	10.50%
08/27	10.00%
10/12	9.50%
11/22	9.00%
12/15	8.50%
01/01/83	8.50%
12/31	8.50%
04/09/84	9.00%
11/21	8.50%
12/24	8.00%
05/20/85	7.50%
03/07/86	7.00%
04/21	6.50%
07/11	6.00%
08/21	5.50%
09/04/87	6.00%
08/09/88	6.50%
02/24/89	7.00%
12/19/90	6.50%
02/01/91	6.00%
04/30	5.50%
09/13	5.00%
11/06	4.50%
12/20	3.50%
07/02/92	3.00%
01/01/93	3.00%
12/31	3.00%
05/17/94	3.50%
08/16	4.00%
11/15	4.75%
02/01/95	5.25%
01/31/96	5.00%

Sources: Federal Reserve Bulletin & The Wall Street Journal.



MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

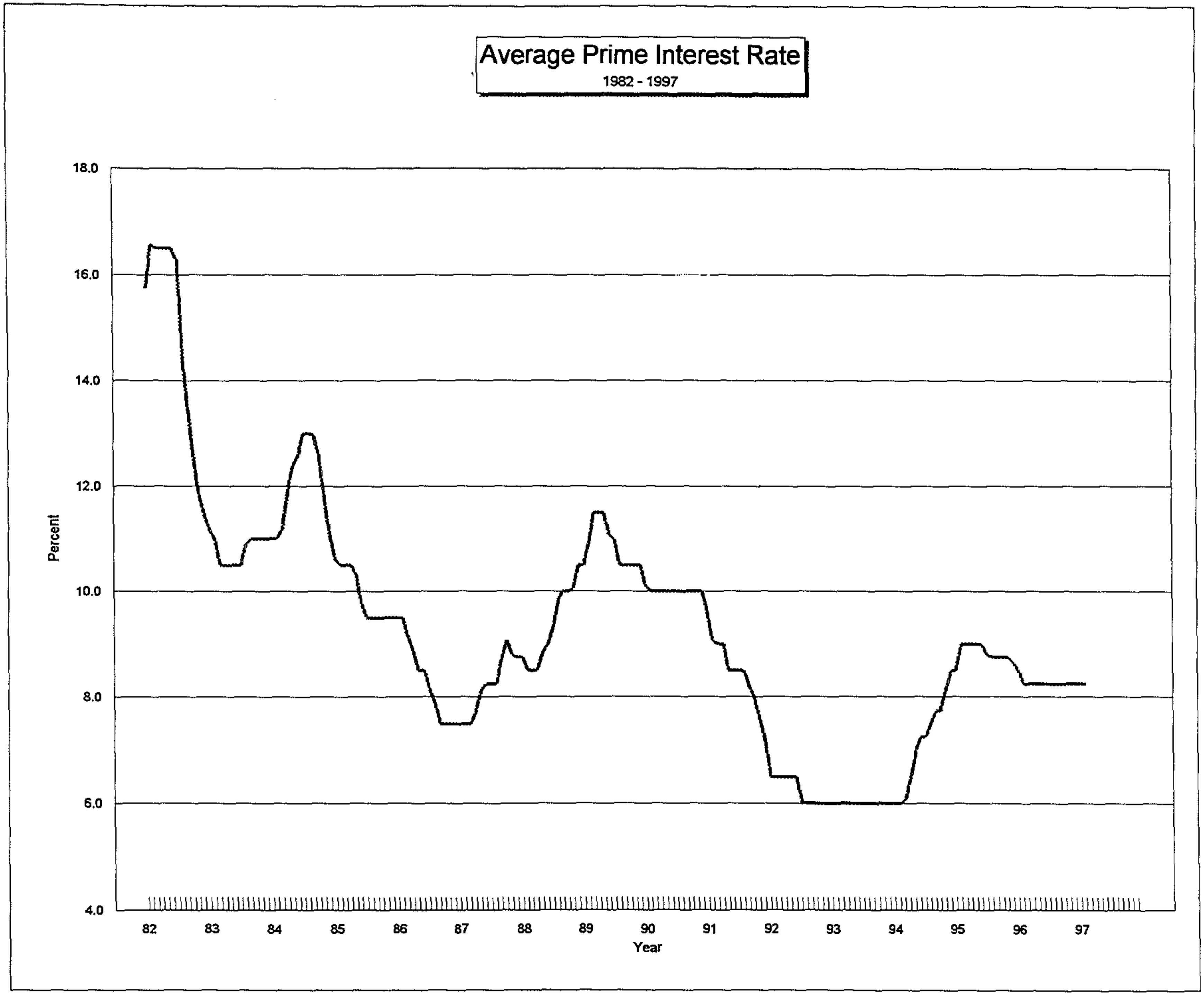
SCHEDULE 2-2

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Average Prime Interest Rates

Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)
Jan 1982	15.75	Jan 1986	9.50	Jan 1990	10.11	Jan 1994	6.00
Feb	16.56	Feb	9.50	Feb	10.00	Feb	6.00
Mar	16.50	Mar	9.10	Mar	10.00	Mar	6.06
Apr	16.50	Apr	8.83	Apr	10.00	Apr	6.45
May	16.50	May	8.50	May	10.00	May	6.99
Jun	16.50	Jun	8.50	Jun	10.00	Jun	7.25
Jul	16.26	Jul	8.16	Jul	10.00	Jul	7.25
Aug	14.39	Aug	7.90	Aug	10.00	Aug	7.51
Sep	13.50	Sep	7.50	Sep	10.00	Sep	7.75
Oct	12.52	Oct	7.50	Oct	10.00	Oct	7.75
Nov	11.85	Nov	7.50	Nov	10.00	Nov	8.15
Dec	11.50	Dec	7.50	Dec	10.00	Dec	8.50
Jan 1983	11.16	Jan 1987	7.50	Jan 1991	9.52	Jan 1995	8.50
Feb	10.98	Feb	7.50	Feb	9.05	Feb	9.00
Mar	10.50	Mar	7.50	Mar	9.00	Mar	9.00
Apr	10.50	Apr	7.75	Apr	9.00	Apr	9.00
May	10.50	May	8.14	May	8.50	May	9.00
Jun	10.50	Jun	8.25	Jun	8.50	Jun	9.00
Jul	10.50	Jul	8.25	Jul	8.50	Jul	8.80
Aug	10.89	Aug	8.25	Aug	8.50	Aug	8.75
Sep	11.00	Sep	8.70	Sep	8.20	Sep	8.75
Oct	11.00	Oct	9.07	Oct	8.00	Oct	8.75
Nov	11.00	Nov	8.78	Nov	7.58	Nov	8.75
Dec	11.00	Dec	8.75	Dec	7.21	Dec	8.65
Jan 1984	11.00	Jan 1988	8.75	Jan 1992	6.50	Jan 1996	8.50
Feb	11.00	Feb	8.51	Feb	6.50	Feb	8.25
Mar	11.21	Mar	8.50	Mar	6.50	Mar	8.25
Apr	11.93	Apr	8.50	Apr	6.50	Apr	8.25
May	12.39	May	8.84	May	6.50	May	8.25
Jun	12.60	Jun	9.00	Jun	6.50	Jun	8.25
Jul	13.00	Jul	9.29	Jul	6.02	Jul	8.25
Aug	13.00	Aug	9.84	Aug	6.00	Aug	8.25
Sep	12.97	Sep	10.00	Sep	6.00	Sep	8.25
Oct	12.58	Oct	10.00	Oct	6.00	Oct	8.25
Nov	11.77	Nov	10.05	Nov	6.00	Nov	8.25
Dec	11.06	Dec	10.50	Dec	6.00	Dec	8.25
Jan 1985	10.61	Jan 1989	10.50	Jan 1993	6.00	Jan 1997	8.25
Feb	10.50	Feb	10.93	Feb	6.00	Feb	8.25
Mar	10.50	Mar	11.50	Mar	6.00		
Apr	10.50	Apr	11.50	Apr	6.00		
May	10.31	May	11.50	May	6.00		
Jun	9.78	Jun	11.07	Jun	6.00		
Jul	9.50	Jul	10.98	Jul	6.00		
Aug	9.50	Aug	10.50	Aug	6.00		
Sep	9.50	Sep	10.50	Sep	6.00		
Oct	9.50	Oct	10.50	Oct	6.00		
Nov	9.50	Nov	10.50	Nov	6.00		
Dec	9.50	Dec	10.50	Dec	6.00		

Sources: Federal Reserve Bulletin & The Wall Street Journal.



MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

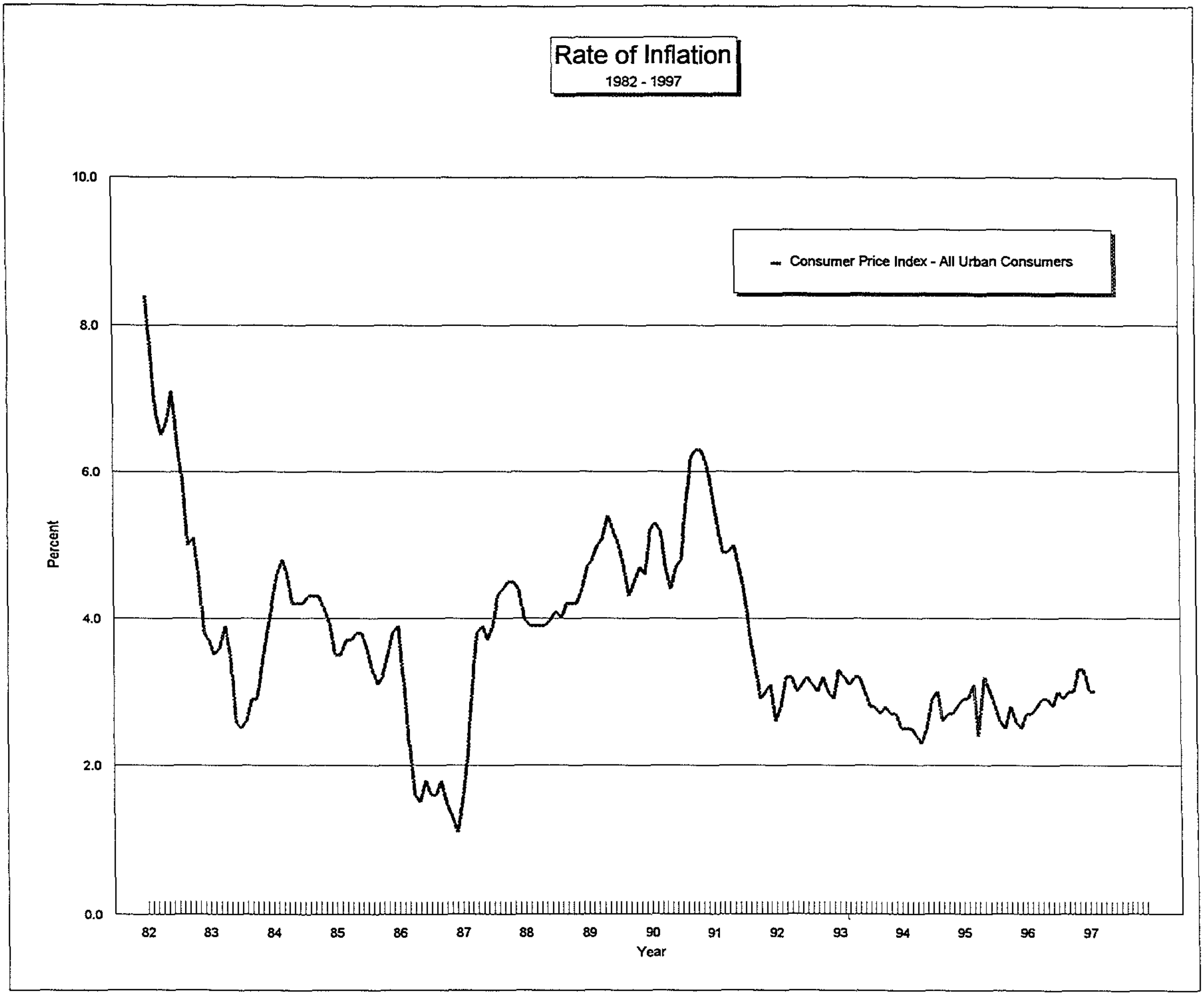
SCHEDULE 3-2

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Rate of Inflation

Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)
Jan 1982	8.40	Jan 1986	3.90	Jan 1990	5.20	Jan 1994	2.50
Feb	7.60	Feb	3.10	Feb	5.30	Feb	2.50
Mar	6.80	Mar	2.30	Mar	5.20	Mar	2.50
Apr	6.50	Apr	1.60	Apr	4.70	Apr	2.40
May	6.70	May	1.50	May	4.40	May	2.30
Jun	7.10	Jun	1.80	Jun	4.70	Jun	2.50
Jul	6.40	Jul	1.60	Jul	4.80	Jul	2.80
Aug	5.90	Aug	1.60	Aug	5.60	Aug	2.90
Sep	5.00	Sep	1.80	Sep	6.20	Sep	3.00
Oct	5.10	Oct	1.50	Oct	6.30	Oct	2.60
Nov	4.60	Nov	1.30	Nov	6.30	Nov	2.70
Dec	3.80	Dec	1.10	Dec	6.10	Dec	2.70
Jan 1983	3.70	Jan 1987	1.50	Jan 1991	5.70	Jan 1995	2.80
Feb	3.50	Feb	2.10	Feb	5.30	Feb	2.90
Mar	3.60	Mar	3.00	Mar	4.90	Mar	2.90
Apr	3.90	Apr	3.80	Apr	4.90	Apr	3.10
May	3.50	May	3.90	May	5.00	May	3.20
Jun	2.60	Jun	3.70	Jun	4.70	Jun	3.00
Jul	2.50	Jul	3.90	Jul	4.40	Jul	2.80
Aug	2.60	Aug	4.30	Aug	3.80	Aug	2.60
Sep	2.90	Sep	4.40	Sep	3.40	Sep	2.50
Oct	2.90	Oct	4.50	Oct	2.90	Oct	2.80
Nov	3.30	Nov	4.50	Nov	3.00	Nov	2.60
Dec	3.80	Dec	4.40	Dec	3.10	Dec	2.50
Jan 1984	4.20	Jan 1988	4.00	Jan 1992	2.60	Jan 1996	2.70
Feb	4.60	Feb	3.90	Feb	2.80	Feb	2.70
Mar	4.80	Mar	3.90	Mar	3.20	Mar	2.80
Apr	4.60	Apr	3.90	Apr	3.20	Apr	2.90
May	4.20	May	3.90	May	3.00	May	2.90
Jun	4.20	Jun	4.00	Jun	3.10	Jun	2.80
Jul	4.20	Jul	4.10	Jul	3.20	Jul	3.00
Aug	4.30	Aug	4.00	Aug	3.10	Aug	2.90
Sep	4.30	Sep	4.20	Sep	3.00	Sep	3.00
Oct	4.30	Oct	4.20	Oct	3.20	Oct	3.00
Nov	4.10	Nov	4.20	Nov	3.00	Nov	3.30
Dec	3.90	Dec	4.40	Dec	2.90	Dec	3.30
Jan 1985	3.50	Jan 1989	4.70	Jan 1993	3.30	Jan 1997	3.00
Feb	3.50	Feb	4.80	Feb	3.20	Feb	3.00
Mar	3.70	Mar	5.00	Mar	3.10		
Apr	3.70	Apr	5.10	Apr	3.20		
May	3.80	May	5.40	May	3.20		
Jun	3.80	Jun	5.20	Jun	3.00		
Jul	3.60	Jul	5.00	Jul	2.80		
Aug	3.30	Aug	4.70	Aug	2.80		
Sep	3.10	Sep	4.30	Sep	2.70		
Oct	3.20	Oct	4.50	Oct	2.80		
Nov	3.50	Nov	4.70	Nov	2.70		
Dec	3.80	Dec	4.60	Dec	2.70		

Source: U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index - All Urban Consumers, Change for 12-Month Period.



MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

SCHEDULE 4-2

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Average Yields on Moody's Public Utility Bonds

Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)
Jan 1982	16.73	Jan 1986	10.66	Jan 1990	9.44	Jan 1994	7.31
Feb	16.72	Feb	10.16	Feb	9.66	Feb	7.44
Mar	16.07	Mar	9.33	Mar	9.75	Mar	7.83
Apr	15.82	Apr	9.02	Apr	9.87	Apr	8.20
May	15.60	May	9.52	May	9.89	May	8.32
Jun	16.18	Jun	9.51	Jun	9.69	Jun	8.31
Jul	16.04	Jul	9.19	Jul	9.66	Jul	8.47
Aug	15.22	Aug	9.15	Aug	9.84	Aug	8.41
Sep	14.56	Sep	9.42	Sep	10.01	Sep	8.65
Oct	13.88	Oct	9.39	Oct	9.94	Oct	8.88
Nov	13.56	Nov	9.15	Nov	9.76	Nov	9.00
Dec	13.55	Dec	8.96	Dec	9.57	Dec	8.79
Jan 1983	13.46	Jan 1987	8.77	Jan 1991	9.56	Jan 1995	8.77
Feb	13.60	Feb	8.81	Feb	9.31	Feb	8.56
Mar	13.28	Mar	8.75	Mar	9.39	Mar	8.41
Apr	13.03	Apr	9.30	Apr	9.30	Apr	8.30
May	13.00	May	9.82	May	9.29	May	7.93
Jun	13.17	Jun	9.87	Jun	9.44	Jun	7.62
Jul	13.28	Jul	10.01	Jul	9.40	Jul	7.73
Aug	13.50	Aug	10.33	Aug	9.16	Aug	7.86
Sep	13.35	Sep	11.00	Sep	9.03	Sep	7.62
Oct	13.19	Oct	11.32	Oct	8.99	Oct	7.46
Nov	13.33	Nov	10.82	Nov	8.93	Nov	7.40
Dec	13.48	Dec	10.99	Dec	8.76	Dec	7.21
Jan 1984	13.40	Jan 1988	10.75	Jan 1992	8.67	Jan 1996	7.20
Feb	13.50	Feb	10.11	Feb	8.77	Feb	7.37
Mar	14.03	Mar	10.11	Mar	8.84	Mar	7.72
Apr	14.30	Apr	10.53	Apr	8.79	Apr	7.88
May	14.95	May	10.75	May	8.72	May	7.99
Jun	15.16	Jun	10.71	Jun	8.64	Jun	8.07
Jul	14.92	Jul	10.96	Jul	8.46	Jul	8.02
Aug	14.29	Aug	11.09	Aug	8.34	Aug	7.84
Sep	14.04	Sep	10.56	Sep	8.32	Sep	8.01
Oct	13.68	Oct	9.92	Oct	8.44	Oct	7.76
Nov	13.15	Nov	9.89	Nov	8.53	Nov	7.48
Dec	12.96	Dec	10.02	Dec	8.36	Dec	7.58
Jan 1985	12.88	Jan 1989	10.02	Jan 1993	8.23	Jan 1997	7.79
Feb	13.00	Feb	10.02	Feb	8.00	Feb	7.68
Mar	13.66	Mar	10.16	Mar	7.85		
Apr	13.42	Apr	10.14	Apr	7.76		
May	12.89	May	9.92	May	7.78		
Jun	11.91	Jun	9.49	Jun	7.68		
Jul	11.88	Jul	9.34	Jul	7.53		
Aug	11.93	Aug	9.37	Aug	7.21		
Sep	11.95	Sep	9.43	Sep	7.01		
Oct	11.84	Oct	9.37	Oct	6.99		
Nov	11.33	Nov	9.33	Nov	7.30		
Dec	10.82	Dec	9.31	Dec	7.33		

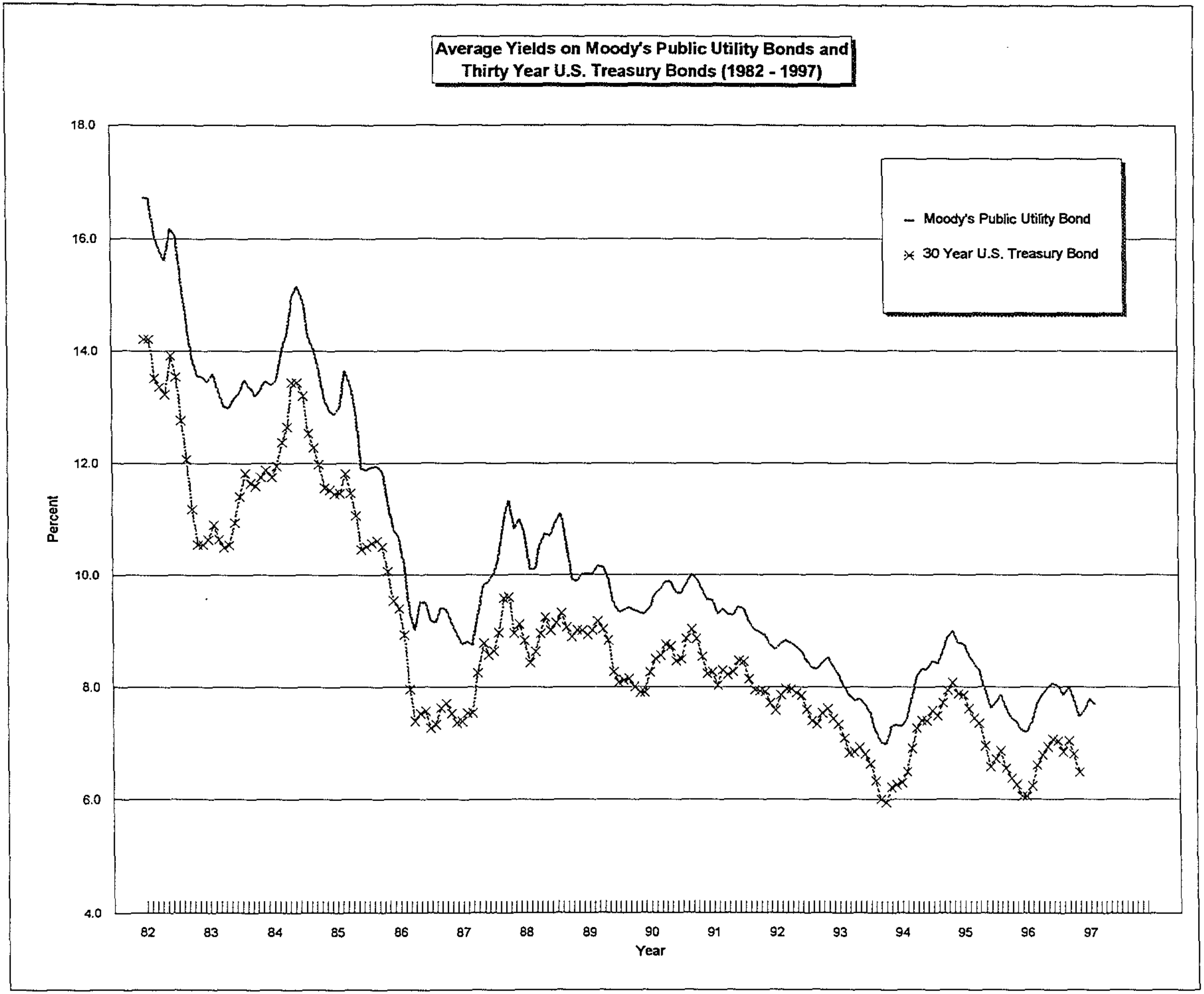
Source: Moody's Bond Record.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Average Yields on Thirty Year U.S. Treasury Bonds

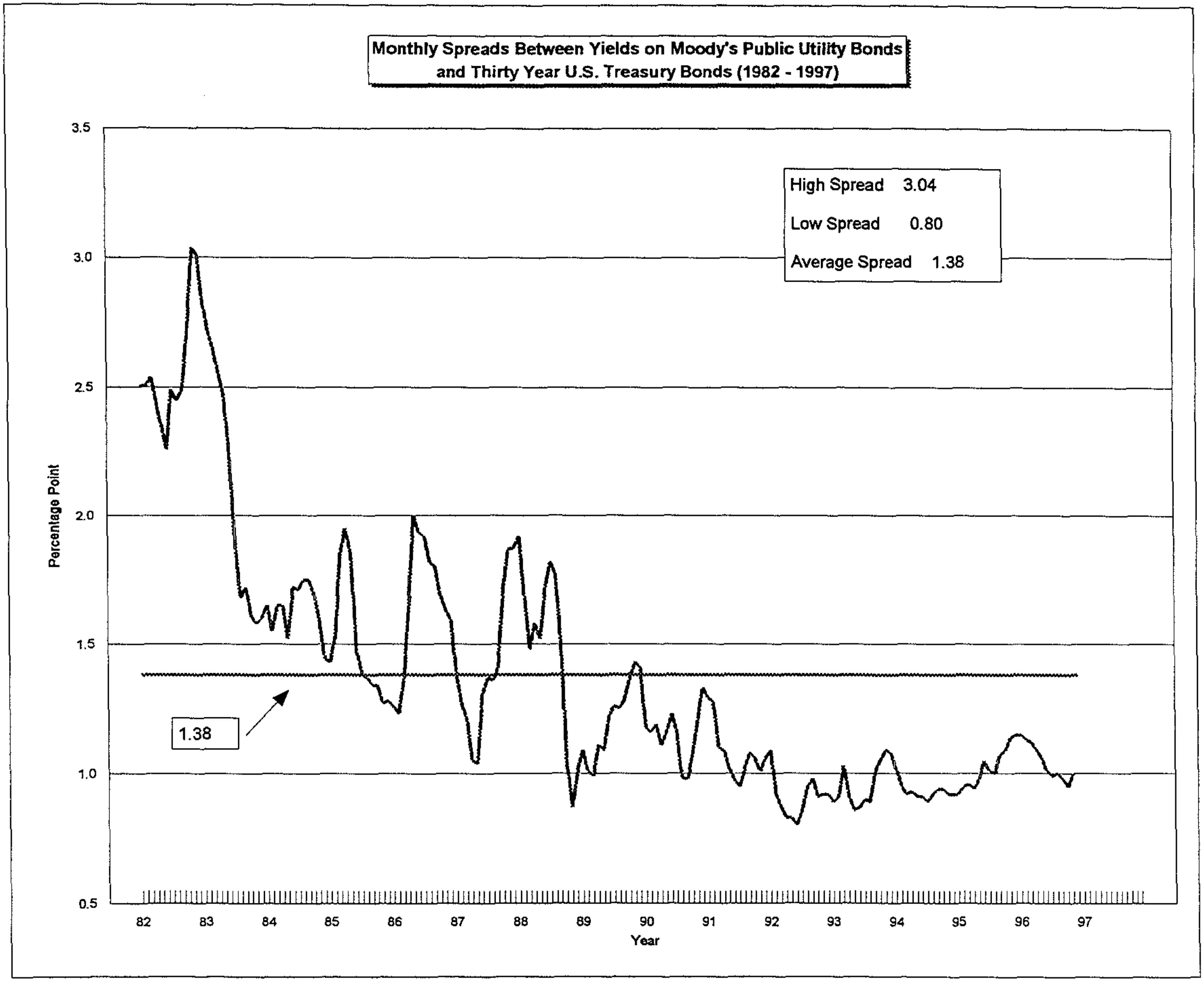
Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)
Jan 1982	14.22	Jan 1986	9.40	Jan 1990	8.26	Jan 1994	6.29
Feb	14.22	Feb	8.93	Feb	8.50	Feb	6.49
Mar	13.53	Mar	7.96	Mar	8.56	Mar	6.91
Apr	13.37	Apr	7.39	Apr	8.76	Apr	7.27
May	13.24	May	7.52	May	8.73	May	7.41
Jun	13.92	Jun	7.57	Jun	8.46	Jun	7.40
Jul	13.55	Jul	7.27	Jul	8.50	Jul	7.58
Aug	12.77	Aug	7.33	Aug	8.86	Aug	7.49
Sep	12.07	Sep	7.62	Sep	9.03	Sep	7.71
Oct	11.17	Oct	7.70	Oct	8.86	Oct	7.94
Nov	10.54	Nov	7.52	Nov	8.54	Nov	8.08
Dec	10.54	Dec	7.37	Dec	8.24	Dec	7.87
Jan 1983	10.63	Jan 1987	7.39	Jan 1991	8.27	Jan 1995	7.85
Feb	10.88	Feb	7.54	Feb	8.03	Feb	7.61
Mar	10.63	Mar	7.55	Mar	8.29	Mar	7.45
Apr	10.48	Apr	8.25	Apr	8.21	Apr	7.36
May	10.53	May	8.78	May	8.27	May	6.95
Jun	10.93	Jun	8.57	Jun	8.47	Jun	6.57
Jul	11.40	Jul	8.64	Jul	8.45	Jul	6.72
Aug	11.82	Aug	8.97	Aug	8.14	Aug	6.86
Sep	11.63	Sep	9.59	Sep	7.95	Sep	6.55
Oct	11.58	Oct	9.61	Oct	7.93	Oct	6.37
Nov	11.75	Nov	8.95	Nov	7.92	Nov	6.26
Dec	11.88	Dec	9.12	Dec	7.70	Dec	6.06
Jan 1984	11.75	Jan 1988	8.83	Jan 1992	7.58	Jan 1996	6.05
Feb	11.95	Feb	8.43	Feb	7.85	Feb	6.24
Mar	12.38	Mar	8.63	Mar	7.97	Mar	6.60
Apr	12.65	Apr	8.95	Apr	7.96	Apr	6.79
May	13.43	May	9.23	May	7.89	May	6.93
Jun	13.44	Jun	9.00	Jun	7.84	Jun	7.06
Jul	13.21	Jul	9.14	Jul	7.60	Jul	7.03
Aug	12.54	Aug	9.32	Aug	7.39	Aug	6.84
Sep	12.29	Sep	9.06	Sep	7.34	Sep	7.03
Oct	11.98	Oct	8.89	Oct	7.53	Oct	6.81
Nov	11.56	Nov	9.02	Nov	7.61	Nov	6.48
Dec	11.52	Dec	9.01	Dec	7.44		
Jan 1985	11.45	Jan 1989	8.93	Jan 1993	7.34		
Feb	11.47	Feb	9.01	Feb	7.09		
Mar	11.81	Mar	9.17	Mar	6.82		
Apr	11.47	Apr	9.03	Apr	6.85		
May	11.05	May	8.83	May	6.92		
Jun	10.44	Jun	8.27	Jun	6.81		
Jul	10.50	Jul	8.08	Jul	6.63		
Aug	10.56	Aug	8.12	Aug	6.32		
Sep	10.61	Sep	8.15	Sep	6.00		
Oct	10.50	Oct	8.00	Oct	5.94		
Nov	10.06	Nov	7.90	Nov	6.21		
Dec	9.54	Dec	7.90	Dec	6.25		

Source: Federal Reserve Bulletin.



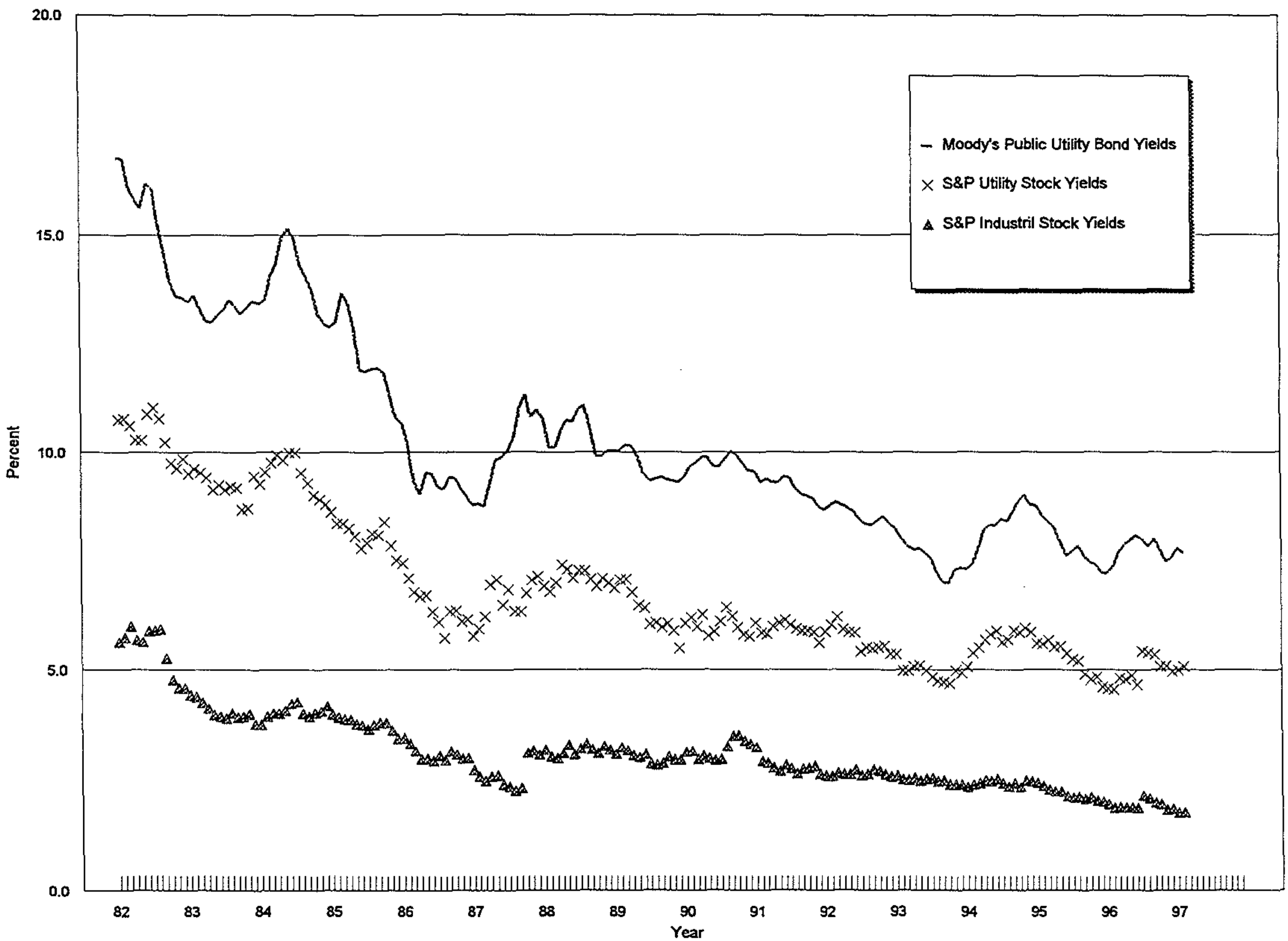
MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

SCHEDULE 5-3



MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Average Yields on Public Utility Bonds and S&P Utility Stock & S&P Industrial Stock Yields



MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

SCHEDULE 6

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Economic Estimates and Projections, 1997 - 1999

	Inflation Rate			Real GDP			Unemployment			3-Mo. T-Bill Rate			30-Yr. T-Bond Rate		
Source	1997	1998	1999	1997	1998	1999	1997	1998	1999	1997	1998	1999	1997	1998	1999
Standard & Poor's Corp. "The Outlook" (6/19/96) ***	3.0%	N.A.	N.A.	1.3%	N.A.	N.A.	5.2%	N.A.	N.A.	5.8%	N.A.	N.A.	7.6%	N.A.	N.A.
Value Line's "Investment Survey" (2/21/97)	2.8%	2.9%	3.0%	2.3%	2.1%	2.5%	5.3%	5.5%	5.6%	5.2%	5.2%	5.2%	6.7%	6.5%	6.7%
Salomon Brothers Inc "Comments on Credit" (3/07/97)	2.9%	N.A.	N.A.	1.9%	N.A.	N.A.	5.4%	N.A.	N.A.	N.A.	N.A.	N.A.	6.97%	N.A.	N.A.
Current rate	3.0%			3.9%			5.3%			5.23%			6.96%		

Notes: N.A. = Not Available.

*** Represents estimates through the 2nd quarter of 1997.

Sources of Current Rates: Consumer Price Index - All Urban Consumers, 12-Month Period Ending February 1997.
The Wall Street Journal, March 3, 1997.
The Value Line Investment Survey: Selection & Opinion, February 21, 1997.
Salomon Brothers Inc's Bond Market Roundup, March 14, 1997.
Salomon Brothers Inc's Bond Market Roundup, March 14, 1997.

SCHEDULE 7

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Historical Consolidated Capital Structures for UtiliCorp United Inc.

(Millions of Dollars)

Capital Components	1991	1992	1993	1994	1995
Common Equity	$660.7	$661.1	$851.7	$906.8	$946.3
Preferred Stock	$97.1	$95.1	$83.9	$25.4	$125.4
Long-Term Debt	$931.6	$896.7	$1,011.5	$1,115.7	$1,370.5
Short-Term Debt	$111.0	$230.9	$70.0	$182.4	$288.6
Total	$1,800.4	$1,883.8	$2,017.1	$2,230.3	$2,730.8

Capital Structure	1991	1992	1993	1994	1995
Common Equity	36.70%	35.09%	42.22%	40.66%	34.65%
Preferred Stock	5.39%	5.05%	4.16%	1.14%	4.59%
Long-Term Debt	51.74%	47.60%	50.15%	50.02%	50.19%
Short-Term Debt	6.17%	12.26%	3.47%	8.18%	10.57%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Notes: The amount of Long-Term Debt and Preferred Stock includes Current Maturities.

Source: UtiliCorp United Inc.'s Stockholders Annual Reports.

SCHEDULE 8

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Selected Financial Ratios for UtiliCorp United Inc.
(Consolidated Basis)

Financial Ratios	1991	1992	1993	1994	1995
Return on Year-End Common Equity	10.56%	6.96%	9.33%	10.08%	8.21%
Primary Earnings Per Common Share	$2.37	$1.32	$1.95	$2.08	$1.72
Cash Dividends Paid Per Common Share	$1.54	$1.60	$1.62	$1.70	$1.72
Common Dividend Payout Ratio	64.98%	121.21%	83.08%	81.73%	100.00%
Year-End Market Price Per Common Share	$28.500	$27.625	$31.750	$26.500	$29.375
Year-End Book Value Per Common Share	$19.18	$18.66	$20.27	$20.24	$20.59
Year-End Market to Book Ratio	1.49 x	1.48 x	1.57 x	1.31 x	1.43 x
Senior Debt Rating (Standard & Poor's Corporation)	BBB	BBB	BBB	BBB	BBB

Notes: Return on Year-End Common Equity = Earnings Available For Common Shares / Year-End Common Shareowners' Equity.

Common Dividend Payout Ratio = Cash Dividends Paid Per Common Share / Primary Earnings Per Common Share.

Year-End Market to Book Ratio = Year-End Market Price Per Common Share / Year-End Book Value Per Common Share.

Sources: UtiliCorp United Inc.'s Stockholders Annual Reports and Standard & Poor's Corporation's Utilities Ratings Service, August 1995.

SCHEDULE 9

Capital Structure as of December 31, 1995
for UtiliCorp United Inc. (Consolidated Basis)

Capital Component	Amount in Dollars	Percentage of Capital
Common Stock Equity	$946,300,000	35.70%
Preferred Stock	$121,250,000	4.57%
Long-Term Debt	$1,342,292,008	50.64%
Short-Term Debt	$241,000,000	9.09%
Total Capitalization	$2,650,842,008	100.00%

Electric Utility Financial Ratio Benchmarks

Total Debt / Total Capital - Including Preferred Stock

	BBB	BB
Standard & Poor's Corporation's Utilities Rating Service, September 30, 1996 Electric Utilities (Average Business Position)	54%	60%

Notes: The amount of Short-Term Debt was reduced by the amount of Construction Work In Progress ($288,600,000 - $47,600,000).

See Schedule 11-1 for the amount of Long-Term Debt outstanding at December 31, 1995.

See Schedule 12 for the amount of Preferred Stock outstanding at December 31, 1995.

Sources: UtiliCorp United Inc.'s responses to Staff's Data Information Request Nos. 3801, 3803 and 3805 from Case No. EM-96-248.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Embedded Cost of Long-Term Debt as of December 31, 1995
for UtiliCorp United Inc. (Consolidated Basis)

Long-Term Debt	(1) Interest Rate	(2) Prinicipal Amount Outstanding (12/31/95)	(3) Annualized Cost to Company (1 * 2)
MGU First Mortgage Bonds:			
2006 Series due June 1, 2006	9.700%	$13,000,000	$1,261,000
2008 Series due August 10, 2008	10.200%	$10,000,000	$1,020,000
Other Long-Term Debt:			
Wamego Ser. due November 15, 2014	4.250%	$7,300,000	$310,250
State Envi. 1993 due May 1, 2028	5.250%	$5,000,000	$262,500
Debentures due July 1, 2011	6.625%	$8,046,000	$533,048
Unsecured P. P. due October 10, 1999	9.210%	$50,000,000	$4,605,000
Senior Notes due December 1, 2020	10.500%	$125,000,000	$13,125,000
Senior Notes due November 15, 2021	9.000%	$150,000,000	$13,500,000
Senior Notes due January 15, 2007	8.200%	$130,000,000	$10,660,000
Senior Notes due March 1, 2023	8.000%	$125,000,000	$10,000,000
Senior Notes due April 1, 1998	6.000%	$70,000,000	$4,200,000
Senior Notes due June 30, 2005	6.375%	$100,000,000	$6,375,000
Senior Notes due November 15, 1999	8.450%	$100,000,000	$8,450,000
AQ SW SR Notes due September 15, 2002	8.290%	$87,500,000	$7,253,750
Sanwa Bus CC due December 12, 2009	6.990%	$8,190,000	$572,481
USP (New Zealand) due February 18, 1998	8.982%	$63,572,152	$5,710,051
UAHL (Australia) due September 6, 2000	7.900%	$55,710,000	$4,401,090
UAHL (Australia) due September 6, 2000	7.870%	$74,280,000	$5,845,836
UAHL (Australia) due September 6, 2000	7.950%	$92,850,000	$7,381,575
WKP Long-Term Debt (US$):			
Series D due December 1, 1997	11.375%	$11,017,500	$1,253,241
Series E due December 1, 2009	11.000%	$9,915,750	$1,090,733
Series F due October 16, 2012	9.650%	$11,017,500	$1,063,189
Series G due August 28, 2023	8.800%	$18,362,500	$1,615,900
Promissory Note due May 1, 2000	8.800%	$14,690,000	$1,292,720
Mortgage Loan due August 31, 2013	9.440%	$7,328,107	$691,773
Floating Rate	6.580%	$17,187,300	$1,130,924
Less: Unamortized Debt Discount & Debt Issuance Expense		($12,208,208)	
Less: Unamortized Loss on Reaquired Debt Expense		($10,466,593)	
Add: Annual Amortized Debt Discount & Debt Issuance Expense			$1,162,609
Add: Annual Amortized Loss on Reaquired Debt Expense			$4,485,305
Total		$1,342,292,008	$119,252,974

$$\text{Embedded Cost of Long-Term Debt} = \frac{\$119{,}252{,}974}{\$1{,}342{,}292{,}008}$$

$$= 8.88\%$$

Notes: Principal Amount Outstanding as of 12/31/95 includes Current Maturities.

See Schedule 11-2 for the amounts of the Unamortized Debt Discount & Debt Issuance Expense and the Annual Amortized Debt Discount & Debt Issuance Expense.

See Schedule 11-3 for the amounts of the Unamortized Loss on Reaquired Debt Expense and the Annual Amortized Loss on Reaquired Debt Expense.

Source: UtiliCorp United Inc.'s response to Staff's Data Information Request No. 3803 from Case No. EM-96-248.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Annual Amortized Debt Discount & Debt Issuance Expense as of December 31, 1995 for Long-Term Debt of UtiliCorp United Inc. (Consolidated Basis)

Long-Term Debt	Maturity Date	(1) Number of Months to Maturity (12/31/95)	(2) Unamortized Debt Discount & Debt Issuance Expense (12/31/95)	(3) Annual Amortized Debt Discount & Debt Issuance Expense
MGU First Mortgage Bonds:				
2006 Series due June 1, 2006	(06/01/06)	125	$67,275	$6,458
2008 Series due August 10, 2008	(08/10/08)	151	$218,456	$17,361
Other Long-Term Debt:				
Wamego Ser. due November 15, 2014	(11/15/14)	226	$159,254	$8,456
State Envi. 1993 due May 1, 2028	(05/01/28)	388	$83,031	$2,568
Debentures due July 1, 2011	(07/01/11)	186	$263,560	$17,004
Unsecured P. P. due October 10, 1999	(10/10/99)	45	$14,608	$3,895
Senior Notes due December 1, 2020	(12/01/20)	299	$1,970,342	$79,077
Senior Notes due November 15, 2021	(11/15/21)	310	$2,603,280	$100,772
Senior Notes due January 15, 2007	(01/15/07)	132	$1,009,849	$91,804
Senior Notes due March 1, 2023	(03/01/23)	326	$1,794,151	$66,042
Senior Notes due April 1, 1998	(04/01/98)	27	$206,291	$91,685
Senior Notes due June 30, 2005	(06/30/05)	114	$810,016	$85,265
Senior Notes due November 15, 1999	(11/15/99)	46	$531,850	$138,743
AQ SW SR Notes due September 15, 2002	(09/15/02)	80	$867,000	$130,050
Sanwa Bus CC due December 12, 2009	(12/09/09)	167	$35,000	$2,515
USP (New Zealand) due February 18, 1998	(02/18/98)	25	$150,000	$72,000
UAHL (Australia) due September 6, 2000	(09/06/00)	56	$225,000	$48,214
UAHL (Australia) due September 6, 2000	(09/06/00)	56	$225,000	$48,214
UAHL (Australia) due September 6, 2000	(09/06/00)	56	$275,000	$58,929
WKP Long-Term Debt (US$):				
Series D due December 1, 1997	(12/01/97)	23	$16,894	$8,814
Series E due December 1, 2009	(12/01/09)	167	$31,584	$2,270
Series F due October 16, 2012	(10/16/12)	201	$208,598	$12,454
Series G due August 28, 2023	(08/28/23)	332	$164,528	$5,947
Promissory Note due May 1, 2000	(05/01/00)	52	$277,641	$64,071
Mortgage Loan due August 31, 2013	(08/31/13)	212	$0	$0
Floating Rate			$0	$0
			$12,208,208	$1,162,609

Notes: Column 3 = [(Column 2 / Column 1) * 12].

Source: UtiliCorp United Inc.'s response to Staff's Data Information Request No. 3803 from Case No. EM-96-248.

Annual Amortized Loss On Reaquired Debt Expense as of December 31, 1995 for Long-Term Debt of UtiliCorp United Inc. (Consolidated Basis)

Long-Term Debt	Maturity Date	(1) Number of Months to Maturity (12/31/95)	(2) Unamortized Loss on Reaquired Debt Expense (12/31/95)	(3) Annual Amortized Loss on Reaquired Debt Expense
Series DD due September 15, 2004	(09/15/04)	104	$297,301	$34,304
Series HH due March 15, 1998	(03/15/98)	26	$7,922,762	$3,656,659
Series 1 due October 15, 1998	(10/15/98)	33	$1,530,730	$556,629
CSD Conversions due July 1, 2011	(07/01/11)	186	$277,928	$17,931
Series AA due September 1, 1996	(09/01/96)	9	$81,099	$81,099
Series CC due April 1, 2003	(04/01/03)	87	$58,399	$8,055
Series X due April 15, 2002	(04/15/02)	75	$8,842	$1,415
Series Y due April 1, 1998	(04/01/98)	27	$250,281	$111,236
Series N due March 15, 1997	(03/15/97)	14	$16,975	$14,550
Series BB due July 1, 2002	(07/01/02)	78	$22,276	$3,427
			$10,466,593	**$4,485,305**

Notes: Column 3 = [(Column 2 / Column 1) * 12].

All early Long-Term Debt retirements were funded with Short-Term Debt.

Source: UtiliCorp United Inc.'s response to Staff's Data Information Request No. 3805 from Case No. EM-96-248.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Embedded Cost of Preferred Stock as of December 31, 1995 for UtiliCorp United Inc. (Consolidated Basis)

Preferred Stock	(1) Dividend Rate	(2) Principal Amount Outstanding (12/31/95)	(3) Annualized Cost to Company (1 * 2)
Not Mandatorily Redeemable Preference Stock: Stated Par Value of $25 Per Share			
$2.05 Series	8.200%	$25,000,000	$2,050,000
8.875% MIPS	8.875%	$100,000,000	$8,875,000
Less: Issuance Expense		($3,750,000)	
Total		**$121,250,000**	**$10,925,000**

Embedded Cost of Preferred Stock $= \dfrac{\$10,925,000}{\$121,250,000}$

$=$ **9.01%**

Note: The amount of Preferred Stock includes the amount redeemable within one year.

Source: UtiliCorp United Inc.'s response to Staff's Data Information Request No. 3803 from Case No. EM-96-248.

Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for UtiliCorp United Inc.

Year	Dividends Per Share	Earnings Per Share	Book Value Per Share	
1986	$0.87	$1.64	$13.30	
1987	$0.93	$1.72	$14.19	
1988	$1.02	$1.94	$15.24	
1989	$1.42	$1.95	$16.58	
1990	$1.46	$2.03	$17.49	
1991	$1.54	$2.15	$19.45	
1992	$1.60	$1.31	$18.66	
1993	$1.62	$1.85	$20.27	
1994	$1.70	$2.06	$20.33	
1995	$1.72	$1.87	$20.59	
1996	$1.76	$2.10	$21.80	estimated

Annual Compound Growth Rates

	DPS	EPS	BVPS
1986 - 1996	**7.30%**	**2.50%**	**5.07%**
1991 - 1996	**2.71%**	**-0.47%**	**2.31%**

Trend Line Growth Rates

	DPS	EPS	BVPS
1986 - 1996	**7.42%**	**1.10%**	**4.93%**
1991 - 1996	**2.70%**	**3.07%**	**2.51%**

	DPS	EPS	BVPS
Average of Historical Growth Rates:	**5.03%**	**1.55%**	**3.70%**
Standard Deviation:	**2.33%**	**1.37%**	**1.30%**

Sources: The Value Line Investment Survey: Ratings & Reports, January 10, 1997 and UtiliCorp United Inc.'s Press Release, February 18, 1997.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Historical and Projected Growth Rates for UtiliCorp United Inc.

Historical Growth Rates

DPS Annual Compound & Trend Line Growth Rate Average	5.03%
BVPS Annual Compound & Trend Line Growth Rate Average	3.70%
Average of Historical Growth Rates	4.37%

Projected Growth Rates from Outside Sources

5 Year Growth Forecast (Mean) I/B/E/S Inc.'s Institutional Brokers Estimate System February 20, 1997	4.73%
5-Year Projected EPS Growth Rate Standard & Poor's Corporation's Earnings Guide March 1997	5.00%
Projected EPS Growth Rate (3 to 5 Years) Value Line's Value Screen II March 1997	7.00%
5 Year Growth Forecast (Mean) Zacks Investment Research, Inc.'s Earnings Estimates March 17, 1997	4.68%
Average of Projected Growth Rates	5.35%

Proposed Range of Growth for UtiliCorp United Inc. **4.40% to 5.40%**

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Monthly High / Low Average Dividend Yields for UtiliCorp United Inc.

Month / Year	(1) High Stock Price	(2) Low Stock Price	(3) Average High / Low Price	(4) Expected Dividend (12/97)	(5) Projected Dividend Yield
December 1996	$27.250	$26.375	$26.813	$1.80	6.71%
January 1997	$28.125	$26.500	$27.313	$1.80	6.59%
February 1997	$28.250	$26.750	$27.500	$1.80	6.55%
March 1997 (3/1 - 3/23/97)	$27.500	$25.750	$26.625	$1.80	6.76%
Average					**6.65%**

Proposed Dividend Yield for UtiliCorp United Inc. 6.65%

Notes: Column 3 = [(Column 1 + Column 2) / 2].

Column 4 = Estimated Dividends Declared per share represents the average projected dividends for 1997.

Column 5 = (Column 4 / Column 3).

Sources: Standard & Poor's Corporation's Security Owner's Stock Guide, Telescan Inc.'s Wall Street City Database System and The Value Line Investment Survey: Ratings & Reports, January 10, 1997.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Average Risk Premium Above the Yields of "Baa" Rated Moody's Public Utility Bonds for UtiliCorp United Inc.'s Expected Returns on Common Equity

Mo/Year	UCU's Expected ROE	"Baa" Rated Bonds Yields	UCU's Risk Premium
Jan 1986	16.00%	11.24%	4.76%
Feb	14.00%	10.74%	3.26%
Mar	14.00%	9.91%	4.09%
Apr	14.00%	9.63%	4.37%
May	17.00%	10.02%	6.98%
Jun	17.00%	10.03%	6.97%
Jul	17.00%	9.69%	7.31%
Aug	13.00%	9.70%	3.30%
Sep	13.00%	9.96%	3.04%
Oct	13.00%	9.95%	3.05%
Nov	12.50%	9.69%	2.81%
Dec	12.50%	9.49%	3.01%
Jan 1987	14.00%	9.27%	4.73%
Feb	13.00%	9.24%	3.76%
Mar	13.00%	9.19%	3.81%
Apr	13.00%	9.85%	3.15%
May	13.50%	10.40%	3.10%
Jun	13.50%	10.46%	3.04%
Jul	13.50%	10.62%	2.88%
Aug	11.50%	10.90%	0.60%
Sep	11.50%	11.58%	-0.08%
Oct	11.50%	11.91%	-0.41%
Nov	11.50%	11.40%	0.10%
Dec	11.50%	11.55%	-0.05%
Jan 1988	12.50%	11.34%	1.16%
Feb	13.00%	10.65%	2.35%
Mar	13.00%	10.69%	2.31%
Apr	13.00%	11.23%	1.77%
May	13.00%	11.38%	1.62%
Jun	13.00%	11.27%	1.73%
Jul	13.00%	11.52%	1.48%
Aug	14.00%	11.69%	2.31%
Sep	14.00%	11.13%	2.87%
Oct	14.00%	10.31%	3.69%
Nov	12.50%	10.35%	2.15%
Dec	12.50%	10.44%	2.06%
Jan 1989	12.50%	10.38%	2.12%
Feb	13.00%	10.38%	2.62%
Mar	13.00%	10.50%	2.50%
Apr	13.00%	10.49%	2.51%
May	13.00%	10.29%	2.71%
Jun	13.00%	9.80%	3.20%
Jul	13.00%	9.64%	3.36%
Aug	12.50%	9.64%	2.86%
Sep	12.50%	9.70%	2.80%
Oct	12.50%	9.64%	2.86%
Nov	12.50%	9.64%	2.86%
Dec	12.50%	9.60%	2.90%
Jan 1990	13.50%	9.74%	3.76%
Feb	14.00%	9.96%	4.04%
Mar	14.00%	10.06%	3.94%
Apr	14.00%	10.13%	3.87%
May	12.00%	10.16%	1.84%
Jun	12.00%	9.96%	2.04%
Jul	12.00%	9.92%	2.08%
Aug	9.50%	10.12%	-0.62%
Sep	9.50%	10.32%	-0.82%
Oct	9.50%	10.28%	-0.78%
Nov	9.50%	10.12%	-0.62%
Dec	9.50%	9.96%	-0.46%
Jan 1991	11.00%	9.96%	1.04%
Feb	9.50%	9.68%	-0.18%
Mar	9.50%	9.74%	-0.24%
Apr	9.50%	9.64%	-0.14%
May	10.00%	9.64%	0.36%
Jun	10.00%	9.79%	0.21%
Jul	10.00%	9.69%	0.31%
Aug	10.00%	9.47%	0.53%
Sep	10.00%	9.34%	0.66%
Oct	10.00%	9.32%	0.68%
Nov	9.50%	9.28%	0.22%
Dec	9.50%	9.07%	0.43%

Mo/Year	UCU's Expected ROE	"Baa" Rated Bonds Yields	UCU's Risk Premium
Jan 1992	11.50%	8.98%	2.52%
Feb	12.00%	9.09%	2.91%
Mar	12.00%	9.16%	2.84%
Apr	12.00%	9.11%	2.89%
May	10.50%	9.01%	1.49%
Jun	10.50%	8.90%	1.60%
Jul	10.50%	8.69%	1.81%
Aug	8.50%	8.58%	-0.08%
Sep	8.50%	8.54%	-0.04%
Oct	8.50%	8.76%	-0.26%
Nov	7.50%	8.86%	-1.36%
Dec	7.50%	8.69%	-1.19%
Jan 1993	7.50%	8.57%	-1.07%
Feb	9.00%	8.31%	0.69%
Mar	9.00%	8.10%	0.90%
Apr	9.00%	8.11%	0.89%
May	9.50%	8.18%	1.32%
Jun	9.50%	8.05%	1.45%
Jul	9.50%	7.94%	1.56%
Aug	9.50%	7.59%	1.91%
Sep	9.50%	7.35%	2.15%
Oct	9.50%	7.27%	2.23%
Nov	9.00%	7.69%	1.31%
Dec	9.00%	7.73%	1.27%
Jan 1994	9.00%	7.66%	1.34%
Feb	10.00%	7.76%	2.24%
Mar	10.00%	8.11%	1.89%
Apr	10.00%	8.47%	1.53%
May	9.50%	8.61%	0.89%
Jun	9.50%	8.64%	0.86%
Jul	9.50%	8.80%	0.70%
Aug	9.50%	8.74%	0.76%
Sep	9.50%	8.98%	0.52%
Oct	9.50%	9.24%	0.26%
Nov	9.50%	9.35%	0.15%
Dec	9.50%	9.16%	0.34%
Jan 1995	9.50%	9.15%	0.35%
Feb	10.00%	8.93%	1.07%
Mar	10.00%	8.78%	1.22%
Apr	10.00%	8.67%	1.33%
May	10.00%	8.30%	1.70%
Jun	10.00%	8.01%	1.99%
Jul	10.00%	8.11%	1.89%
Aug	10.00%	8.24%	1.76%
Sep	10.00%	7.98%	2.02%
Oct	10.00%	7.82%	2.18%
Nov	10.00%	7.81%	2.19%
Dec	10.00%	7.63%	2.37%
Jan 1996	10.00%	7.64%	2.36%
Feb	10.00%	7.78%	2.22%
Mar	10.00%	8.15%	1.85%
Apr	9.50%	8.32%	1.18%
May	9.50%	8.45%	1.05%
Jun	9.50%	8.51%	0.99%
Jul	10.00%	8.44%	1.56%
Aug	10.00%	8.25%	1.75%
Sep	10.00%	8.41%	1.59%
Oct	10.00%	8.15%	1.85%
Nov	10.00%	7.87%	2.13%
Dec	10.00%	7.98%	2.02%

Summary Information	(1986 - 1996)
Average Positive Risk Premium: (Jan 1986 - Dec 1996)	**2.17%**
High Risk Premium: (Jul 1986)	**7.31%**
Low Risk Premium: (Nov 1992)	**-1.36%**

Sources: The Value Line Investment Survey: Ratings & Reports and Moody's Bond Record.

Capital Asset Pricing Model (CAPM) Costs of Equity Estimates for UtiliCorp United Inc.

UCU's Cost of Common Equity	=	Risk Free Rate (9/96 - 3/97)	+	UCU's Beta	*	Market Risk Premium (1926 - 1996)
11.84%	=	6.36%	+	(0.75	*	7.30%)
12.53%	=	7.05%	+	(0.75	*	7.30%)

Capital Asset Pricing Model

The capital asset pricing model (CAPM) describes the relationship between a security's investment risk and its market rate of return. This relationship identifies the rate of return which investors expect a security to earn so that its market return is comparable with the market returns earned by other securities that have similar risk. The general form of the CAPM is as follows:

Cost of Common Equity = Risk Free Rate + [Beta * Market Risk Premium]

where:

The Risk Free Rate reflects the level of return which can be achieved without accepting any risk. The Risk Free Rate is represented by the yield on 30-Year U.S. Treasury Bonds. The approriate rate was determined to be the high / low range of 6.36% to 7.05% for the six-month period ending March 13, 1997 as published in Salomon Brothers Inc's Bond Market Roundup: Abstract, March 14, 1997.

The Beta represents the relative movement and relative risk between a particular stock and the market. The approriate Beta for UCU was determined to be 0.75 as published in The Value Line Investment Survey: Ratings & Reports, January 10, 1997.

The Market Risk Premium represents the expected return from holding the entire market portfolio less the expected return from holding a risk free investment. The approriate Market Risk Premium was determined to be 7.30% as calculated in Ibbotson Associates, Inc.'s Stocks, Bonds, Bills, and Inflation: 1997 Yearbook.

Pro Forma Pre-Tax Interest Coverage Ratios for UtiliCorp United Inc. (Consolidated Basis)

		11.05%	11.55%	12.05%
1.	Common Equity (Schedule 10)	$946,300,000	$946,300,000	$946,300,000
2.	Earnings Allowed (ROE * [1])	$104,566,150	$109,297,650	$114,029,150
3.	Preferred Dividends (Schedule 12)	$10,925,000	$10,925,000	$10,925,000
4.	Net Income Available ([2] + [3])	$115,491,150	$120,222,650	$124,954,150
5.	Tax Multiplier (1 / { 1 - Tax Rate })	1.6231	1.6231	1.6231
6.	Pre-Tax Earnings ([4] * [5])	$187,455,202	$195,134,962	$202,814,722
7.	Annual Interest Costs ($113,605,060 + $14,797,400)	$128,402,460	$128,402,460	$128,402,460
8.	Avail. for Coverage ([6] + [7])	$315,857,662	$323,537,422	$331,217,182
9.	**Pro Forma Pre-Tax Interest Coverage** ([8] / [7])	**2.46 x**	**2.52 x**	**2.58 x**

Utility Financial Ratio Benchmarks - Pretax Interest Coverage (x)

Standard & Poor's Corporation's Utilities Rating Service, September 30, 1996	A	BBB	BB
Electric Utilities (Avg. Business Position)	3.50x	2.50x	1.75x

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Criterion for Selecting Comparable "BBB" Rated Electric Companies

Electric Utility Companies	(1) Stock Publicly Traded & Information Printed In Value Line	(2) S&P Utility Credit Rating "BBB"	(3) Nuclear Operations < 20% of Generation	(4) Electric Revenues to Total Revenues > 70%	(5) Positive DPS Annual Compound Growth Rate (1986 - 1996)	(6) No Missouri Operations	(7) Comparable Company Met All Criteria
Nevada Power Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes
New England Electric System	Yes	No					
New York State Electric & Gas Corporation	Yes	Yes	Yes	Yes	No		
Niagara Mohawk Power Corporation	Yes	No					
NIPSCO Industries, Inc.	Yes	No					
Northeast Utilities	Yes	No					
Northern States Power Company (Minn.)	Yes	No					
Northwestern Public Service Company	Yes	No					
OGE Energy Corporation	Yes	No					
Ohio Edison Company	Yes	Yes	No				
Orange & Rockland Utilities, Inc.	Yes	No					
Otter Tail Power Company	Yes	No					
PacifiCorp	Yes	No					
PECO Energy Company	Yes	Yes	No				
PG&E Corporation	Yes	No					
Pinnacle West Capital Corporation	Yes	Yes	No				
Portland General Corporation	Yes	No					
Potomac Electric Power Company	Yes	No					
PP&L Resources, Inc.	Yes	No					
Public Service Company of Colorado	Yes	No					
Public Service Company of New Mexico	Yes	No					
Public Service Enterprise Group, Inc.	Yes	No					
Puget Sound Energy, Inc.	Yes	No					
Rochester Gas & Electric Corporation	Yes	Yes	No				
SCANA Corporation	Yes	No					
Sierra Pacific Resources	Yes	No					
SIGCORP, Inc.	Yes	No					
Southern Company (The)	Yes	No					
Southwestern Public Service Company	Yes	No					
St. Joseph Light & Power Company	Yes	No					
TECO Energy Inc.	Yes	No					
Texas Utilities Company	Yes	Yes	Yes	Yes	No		
TNP Enterprises, Inc.	Yes	No					
Tucson Electric Power Company	Yes	No					
Unicom Corporation	Yes	Yes	No				
Union Electric Company	Yes	No					
United Illuminating Company (The)	Yes	Yes	No				
UtiliCorp United Inc.	Yes	Yes	Yes	No			
Washington Water Power Company (The)	Yes	No					
Western Resources, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wisconsin Energy Corporation	Yes	No					
WPL Holdings, Inc.	Yes	No					
WPS Resources Corporation	Yes	No					

Sources: Columns 1 , 3 - 7 = The Value Line Investment Survey: Ratings & Reports, January 10, 1997, February 21, 1997 and March 14, 1997.

Column 2 = Standard & Poor's Corporation's Utilities & Perspectives, March 10, 1997.

SCHEDULE 19-1

Criterion for Selecting Comparable "BBB" Rated Electric Companies

Electric Utility Companies	(1) Stock Publicly Traded & Information Printed In Value Line	(2) S&P Utility Credit Rating "BBB"	(3) Nuclear Operations < 20% of Generation	(4) Electric Revenues to Total Revenues > 70%	(5) Positive DPS Annual Compound Growth Rate (1986 - 1996)	(6) No Missouri Operations	(7) Comparable Company Met All Criteria
Allegheny Power System, Inc.	Yes	No					
American Electric Power Company, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Atlantic Energy, Inc.	Yes	No					
Baltimore Gas & Electric Company	Yes	No					
Black Hills Corporation	Yes	No					
Boston Edison Company	Yes	Yes	No				
Carolina Power & Light Company	Yes	No					
Centerior Energy Corporation	Yes	No					
Central and South West Corporation	Yes	No					
Central Hudson Gas & Electric Corporation	Yes	No					
Central Louisiana Electric Company, Inc.	Yes	No					
Central Maine Power Company	Yes	No					
Central Vermont Public Service Corporation	Yes	Yes	No				
CILCORP Inc.	Yes	No					
CINergy Corporation	Yes	No					
CIPSCO Inc.	Yes	No					
CMS Energy Corporation	Yes	Yes	Yes	No			
Commonwealth Energy System	Yes	Yes	No				
Consolidated Edison Company of New York, Inc.	Yes	No					
Delmarva Power & Light Company	Yes	No					
Dominion Resources, Inc.	Yes	No					
DPL Inc.	Yes	No					
DQE	Yes	Yes	No				
DTE Energy Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Duke Power Company	Yes	No					
Eastern Utilities Associates	Yes	Yes	No				
Edison International	Yes	No					
Empire District Electric Company (The)	Yes	No					
Enova Corporation	Yes	No					
Entergy Corporation	Yes	Yes	No				
Florida Progress Corporation	Yes	No					
FPL Group, Inc.	Yes	No					
GPU, Inc.	Yes	Yes	No				
Green Mountain Power Corporation	Yes	Yes	No				
Hawaiian Electric Industries, Inc.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Houston Industries Incorporated	Yes	No					
Idaho Power Company	Yes	No					
IES Industries, Inc.	Yes	No					
Illinova Corporation	Yes	Yes	No				
Interstate Power Company	Yes	No					
IPALCO Enterprises, Inc.	Yes	No					
Kansas City Power & Light Company	Yes	No					
KU Energy Corporation	Yes	No					
LG&E Energy Corporation	Yes	No					
Long Island Lighting Company	Yes	Yes	Yes	Yes	No		
MDU Resources Group Inc.	Yes	N.A.					
MidAmerican Energy Holdings Company	Yes	No					
Minnesota Power & Light Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Montana Power Company (The)	Yes	Yes	Yes	No			

Six Comparable "BBB" Rated Electric Companies for UtiliCorp United Inc.

Number	Ticker Symbol	Company Name
1	AEP	American Electric Power Company, Inc.
2	DTE	DTE Energy Company
3	HE	Hawaiian Electric Industries, Inc.
4	MPL	Minnesota Power & Light Company
5	NVP	Nevada Power Company
6	WR	Western Resources, Inc.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for the Six Comparable "BBB" Rated Electric Companies

	Dividends Per Share		Earnings Per Share		Book Value Per Share	
Company Name	1986	1996	1986	1996	1986	1996
American Electric Power Company, Inc.	$2.26	$2.40	$2.62	$3.14	$20.71	$24.20 e
DTE Energy Company	$1.68	$2.06	$2.58	$2.95 e	$18.52	$23.90 e
Hawaiian Electric Industries, Inc.	$1.74	$2.41	$2.57	$2.60	$18.96	$25.00 e
Minnesota Power & Light Company	$1.52	$2.04	$2.77	$2.25 e	$15.81	$18.60 e
Nevada Power Company	$1.43	$1.60	$1.71	$1.65 e	$13.01	$16.45 e
Western Resources, Inc.	$1.58	$2.06	$2.43	$2.60 e	$16.35	$24.95 e

Annual Compound Growth Rates

	DPS	EPS	BVPS
Company Name	1986 - 1996	1986 - 1996	1986 - 1996
American Electric Power Company, Inc.	0.60%	1.83%	1.57%
DTE Energy Company	2.06%	1.35%	2.58%
Hawaiian Electric Industries, Inc.	3.31%	0.12%	2.80%
Minnesota Power & Light Company	2.99%	-2.06%	1.64%
Nevada Power Company	1.13%	-0.36%	2.37%
Western Resources, Inc.	2.69%	0.68%	4.32%
Average	**2.13%**	**0.26%**	**2.55%**
Standard Deviation	0.98%	1.26%	0.91%

Note: e = Estimated.

Source: The Value Line Investment Survey: Ratings & Reports, January 10, 1997, February 21, 1997 and March 14, 1997.

SCHEDULE 21

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Average High / Low Stock Price for December 1, 1996 through March 23, 1997 for the Six Comparable "BBB" Rated Electric Companies

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	— December 1996 —		— January 1997 —		— February 1997 —		— March 1997 —		Average High/Low Stock Price (12/1 - 3/23)
Company Name	High Stock Price	Low Stock Price	High Stock Price	Low Stock Price	High Stock Price	Low Stock Price	High Stock Price	Low Stock Price	
American Electric Power Company, Inc.	$41.875	$39.500	$43.187	$40.250	$42.500	$40.500	$42.250	$40.000	$41.258
DTE Energy Company	$33.125	$30.125	$32.875	$30.875	$31.625	$30.125	$30.250	$27.375	$30.797
Hawaiian Electric Industries, Inc.	$36.875	$35.125	$36.375	$35.375	$36.250	$34.875	$35.500	$34.125	$35.563
Minnesota Power & Light Company	$28.250	$27.000	$28.750	$27.250	$28.875	$27.750	$29.000	$27.625	$28.063
Nevada Power Company	$20.750	$20.250	$21.000	$20.125	$20.500	$20.125	$20.625	$20.000	$20.422
Western Resources, Inc.	$31.750	$29.500	$31.500	$30.375	$31.375	$30.250	$31.375	$30.000	$30.766

Notes: Column 9 = [(Column 1 + Column 2 + Column 3 + Column 4 + Column 5 + Column 6 + Column 7 + Column 8) / 8].

March 1997 Stock Prices are through March 23, 1997.

Sources: Standard & Poor's Corporation's Security Owner's Stock Guide and Telescan Inc.'s Wall Street City Database System.

Historical and Projected Growth Rates for the Six Comparable "BBB" Rated Electric Companies

Company Name	(1) 10 Year Annual Compound (DPS & BVPS)	(2) Projected 5 Year Growth IBES (Mean)	(3) Projected 5 Year EPS Growth (S&P)	(4) Projected 3-5 Year EPS Growth Value Line	(5) Projected 5 Year Growth Zacks (Mean)	(6) Average Projected Growth	(7) Historical & Projected Growth
American Electric Power Company, Inc.	1.57%	2.76%	3.00%	3.00%	2.71%	2.87%	2.22%
DTE Energy Company	2.58%	2.73%	3.00%	N.M.	2.54%	2.76%	2.67%
Hawaiian Electric Industries, Inc.	3.31%	3.65%	3.00%	3.50%	3.30%	3.36%	3.34%
Minnesota Power & Light Company	2.99%	4.68%	6.00%	3.50%	4.52%	4.68%	3.83%
Nevada Power Company	2.37%	2.69%	3.00%	4.50%	2.61%	3.20%	2.79%
Western Resources, Inc.	4.32%	3.65%	2.00%	2.50%	3.36%	2.88%	3.60%
Average	**2.86%**	**3.36%**	**3.33%**	**2.83%**	**3.17%**	**3.29%**	**3.08%**

Notes: Column 6 = [(Column 2 + Column 3 + Column 4 + Column 5) / 4].

Column 7 = [(Column 1 + Column 6) / 2].

Sources: Column 1 = Highest combination of DPS and BVPS Annual Compound Growth Rates from Schedule 21.

Column 2 = I/B/E/S Inc.'s Institutional Brokers Estimate System, February 20, 1997.

Column 3 = Standard & Poor's Corporation's Earnings Guide, March 1997.

Column 4 = Value Line's Value Screen II, March 1997.

Column 5 = Zacks Investment Research, Inc.'s Earnings Estimates, March 17, 1997.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Discounted Cash Flow Estimated Costs of Common Equity for the Six Comparable "BBB" Rated Electric Companies

Company Name	(1) Expected Dividend (12/97)	(2) Average High/Low Stock Price (12/1 - 3/23)	(3) Projected Dividend Yield	(4) Average Projected Growth Rate	(5) Estimated Cost of Common Equity
American Electric Power Company, Inc.	$2.40	$41.258	5.82%	2.87%	8.69%
DTE Energy Company	$2.08	$30.797	6.75%	2.76%	9.51%
Hawaiian Electric Industries, Inc.	$2.45	$35.563	6.89%	3.36%	10.25%
Minnesota Power & Light Company	$2.04	$28.063	7.27%	4.68%	11.95%
Nevada Power Company	$1.60	$20.422	7.83%	3.20%	11.03%
Western Resources, Inc.	$2.10	$30.766	6.83%	2.88%	9.71%
Average			**6.90%**	**3.29%**	**10.19%**
				Average (Excluding AEP, DTE and WR)	**11.08%**

Notes: Column 1 = Estimated Dividends Declared per share represents the projected dividends for 1997.

Column 3 = (Column 1 / Column 2).

Column 5 = (Column 3 + Column 4).

Sources: Column 1 = The Value Line Investment Survey: Ratings & Reports, January 10, 1997, February 21, 1997, and March 14, 1997.

Column 2 = Schedule 23.

Column 4 = Schedule 22.

SCHEDULE 24

Capital Asset Pricing Model (CAPM) Costs of Common Equity Estimates for the Six Comparable "BBB" Rated Electric Companies

Company Name	(1) Risk Free Rate (Low)	(2) Risk Free Rate (High)	(3) Company's Value Line Beta	(4) Market Risk Premium	(5) CAPM Cost of Common Equity (Low)	(6) CAPM Cost of Common Equity (High)
American Electric Power Company, Inc.	6.36%	7.05%	0.70	7.30%	11.47%	12.16%
DTE Energy Company	6.36%	7.05%	0.80	7.30%	12.20%	12.89%
Hawaiian Electric Industries, Inc.	6.36%	7.05%	0.70	7.30%	11.47%	12.16%
Minnesota Power & Light Company	6.36%	7.05%	0.70	7.30%	11.47%	12.16%
Nevada Power Company	6.36%	7.05%	0.75	7.30%	11.84%	12.53%
Western Resources, Inc.	6.36%	7.05%	0.65	7.30%	11.11%	11.80%
Average			0.72		11.59%	12.28%

Notes: Column 5 = [Column 1 + (Column 3 * Column 4)] .

Column 6 = [Column 2 + (Column 3 * Column 4)] .

Sources: Column 1 = The Risk Free Rate reflects the level of return which can be achieved without accepting any risk. The Risk Free Rate is represented by the yield on 30-Year U.S. Treasury Bonds. The approriate low rate was determined to be the low end of the range (6.36%) for the six-month period ending March 13, 1997 as published in Salomon Brothers Inc's Bond Market Roundup: Abstract, March 14, 1997.

Column 2 = The approriate high Risk Free Rate was determined to be the high end of the range (7.05%) for the six-month period ending March 13, 1997 as published in Salomon Brothers Inc's Bond Market Roundup: Abstract, March 14, 1997.

Column 3 = The Beta represents the relative movement and relative risk between a particular stock and the market. The approriate Betas were taken from The Value Line Investment Survey: Ratings & Reports, January 10, 1997, February 21, 1997 and March 14, 1997.

Column 4 = The Market Risk Premium represents the expected return from holding the entire market portfolio less the expected return from holding a risk free investment. The approriate Market Risk Premium was determined to be 7.30% as calculated in Ibbotson Associates, Inc.'s Stocks, Bonds, Bills, and Inflation: 1997 Yearbook.

MISSOURI PUBLIC SERVICE
CASE NO. EC-97-362

Long-Term Debt Ratios, Market-to-Book Values and Returns on Common Equity for the Six Comparable "BBB" Rated Electric Companies

Company Name	Projected Long-Term Debt Ratio (1996)	Market-to-Book Value (2/97)	Projected Return on Common Equity (1996)
American Electric Power Company, Inc.	48.50%	1.46 x	13.00%
DTE Energy Company	52.00%	1.18 x	12.50%
Hawaiian Electric Industries, Inc.	49.00%	1.38 x	10.00%
Minnesota Power & Light Company	48.00%	1.41 x	10.50%
Nevada Power Company	49.00%	1.33 x	10.00%
Western Resources, Inc.	43.50%	1.25 x	10.00%
Average	48.33%	1.34 x	11.00%

UtiliCorp United Inc.	**52.00%**	**1.30 x**	**9.00%**

Sources: Column 1 = The Value Line Investment Survey: Ratings & Reports, January 10, 1997, February 21, 1997 and March 14, 1997.

Column 2 = Value Line's Value Screen II, March 1997.

Column 3 = The Value Line Investment Survey: Ratings & Reports, January 10, 1997, February 21, 1997 and March 14, 1997.

Public Utility Revenue Requirement

or

Cost of Service

The formula for the revenue requirement of a public utility may be stated as follows :

Equation 1 : **Revenue Requirement = Cost of Service**

or

Equation 2 : $$R\,R = O + (V - D)\,R$$

The symbols in the second equation are represented by the following factors :

R R	=	Revenue Requirement
O	=	Prudent Operating Costs, including Depreciation and Taxes
V	=	Gross Valuation of the Property Serving the Public
D	=	Accumulated Depreciation
(V - D)	=	Rate Base (Net Valuation)
(V - D) R	=	Return Amount ($$) or Earnings Allowed on Rate Base
R	=	$i\,L + d\,P + k\,E$ or Overall Rate of Return (%)
i	=	Embedded Cost of Debt
L	=	Proportion of Debt in the Capital Structure
d	=	Embedded Cost of Preferred Stock
P	=	Proportion of Preferred Stock in the Capital Structure
k	=	Required Return on Common Equity (ROE)
E	=	Proportion of Common Equity in the Capital Structure

Weighted Cost of Capital as of December 31, 1995
for UtiliCorp United Inc. (Consolidated Basis)

Capital Component	Percentage of Capital	Embedded Cost	Weighted Cost of Capital Using Common Equity Return of:		
			11.05%	11.55%	12.05%
Common Stock Equity	35.70%	—	3.94%	4.12%	4.30%
Preferred Stock	4.57%	9.01%	0.41%	0.41%	0.41%
Long-Term Debt	50.64%	8.88%	4.50%	4.50%	4.50%
Short-Term Debt	9.09%	6.14%	0.56%	0.56%	0.56%
Total	100.00%		9.41%	9.59%	9.77%

Notes: See Schedule 10 for the Capital Structure Ratios.

See Schedule 12 for the Embedded Cost of Preferred Stock.

See Schedule 11-1 for the Embedded Cost of Long-Term Debt.

The Embedded Cost of Short-Term Debt was set at 6.14 percent which represents the weighted average cost for the month of December 1995 as reported by UtiliCorp United Inc. in its respsonse to Staff's Data Information Request No. 3806 in Case No. EM-96-248.