

**Overall Revenue Requirement Summary
For the Test Year Ended December 31, 2007**

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

Case No. WR-2008-XXXX
Schedule CAS-2-SJO
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Line No.	Description	Schedule	Amount
1			
2			
3			
4			
5			
6	Rate Base	CAS-3-SJO	\$85,888,290
7			
8	Operating Income at Present Rates	CAS-8-SJO	6,321,528
9			
10	Earned Rate of return		7.36%
11			
12	Requested Rate of Return	Rungren Testimony	8.60%
13			
14	Required Operating Income		7,386,393
15			
16	Operating Income Deficiency		1,064,865
17			
18	Gross Revenue Conversion Factor		1.63862
19			
20	Revenue Deficiency		1,744,909
21			
22	Adjusted Operating Revenues	CAS-8-SJO	20,952,032
23			
24	Total Revenue Requirement		\$22,696,941
25			
26			
27			
28			
29	Gross Revenue Conversion Factor		
30	Revenue		\$1,000,000
31	Uncollectibles	0.94880%	9,488
32	PSC Assessment	0.00000%	0,000
33	Before Tax Amount		990,512
34	State Income Taxes	5.21327%	51,638
35	Federal Income Taxes	33.17536%	328,606
36	Total Taxes and Expenses		389,732
37	Net Amount		\$610,268
38	Conversion Factor		1.63862
39			
40			

Rate Base Summary					Case No. WR-2008-XXXX Schedule CAS-3-SJO Page 1 of 1	
Missouri Public Service Commission Company: Missouri-American Water Company District: St. Joseph						
Test Year Ended December 31, 2007						
Line #	Rate Base Component	Supporting Reference	Per Books 12/31/07	Adjustments	Pro Forma Rate Base	
1						
2						
3						
4						
5	Utility Plant in Service	CAS-4-SJO	116,308,308	5,907,511	122,215,819	
6						
7	Accumulated Provision for Depreciation	CAS-5-SJO	(20,664,839)	(2,007,832)	(22,672,671)	
8						
9	Accumulated Amortization	WIP's	0	0	0	
10						
11	Utility Plant Acquisition Adjustments	WIP's	0	0	0	
12						
13	Net Utility Plant		95,643,468	3,899,679	99,543,148	
14						
15						
16	Less:					
17	Customer Advances	CAS-6-SJO	2,632,563	425,271	3,057,834	
18	Contributions in Aid of Construction	CAS-6-SJO	3,542,337	251,935	3,794,272	
19	Accumulated Deferred ITC (3%)	WIP's	22,513	(1,620)	20,893	
20	Deferred Income Taxes	WIP's	7,188,943	31,805	7,220,748	
21	Pension Liability	WIP's	627,870	(228,891)	398,979	
22						
23						
24	Subtotal		14,014,226	478,500	14,492,726	
25						
26						
27	Add:					
28	Cash Working Capital	CAS-7-SJO	0	0	0	
29	Materials and Supplies	WIP's	190,833	0	190,833	
30	Prepayments	WIP's	103,915	0	103,915	
31	OPEB's Contributed to External Fund	WIP's	302,762	(7,893)	294,869	
32	Pension/OPEB Tracker	WIP's	2,444	38,307	40,751	
33	Regulatory Deferrals	WIP's	244,850	(37,350)	207,500	
34						
35	Subtotal		844,804	(6,936)	837,868	
36						
37	Total Original Cost Rate Base		82,474,046	3,414,243	85,888,290	
38						
39						
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**Utility Plant in Service
For the Test Year Ended December 31, 2007**

Line #	Acct No	Account Description	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma UPIS
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$12,911	\$12,911
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	82,399	20,743	103,142
5	303	Subtotal	82,399	33,654	116,053
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	1,414,424	0	1,414,424
8	310	Structures & Improvements	2,098,559	0	2,098,559
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	6,326	0	6,326
11	313	Wells & Springs	35,119	0	35,119
12	314	Supply Mains	9,363,808	0	9,363,808
13	316	Subtotal	12,918,236	0	12,918,236
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	8,921	0	8,921
16	320	Pumping Structures & Improvements	4,602,572	0	4,602,572
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	13,332	0	13,332
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	4,912,813	0	4,912,813
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	43,902	0	43,902
24	328	Subtotal	9,581,540	0	9,581,540
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	23,619,321	766,260	24,385,581
28	331	Water Treatment Equipment	21,897,611	191,626	22,089,237
29	332	Water Treatment Equipment - Filter Plant	19,492	0	19,492
30	332.4	Subtotal	45,536,425	957,886	46,494,310
31		<u>Transmission & Distribution Plant</u>			
32		Transmission & Distribution Land	100,597	(1,432)	99,165
33	340	Transmission & Distribution Structures & Improvements	400,459	903	401,362
34	341	Distribution Reservoirs & Standpipes	1,850,565	388	1,850,953
35	342	Transmission & Distribution Mains Conv	0	3,012,611	3,012,611
36	343	Transmission & Distribution Mains < 4"	969,631	0	969,631
37	343.1	Transmission & Distribution Mains 6" - 8"	10,414,262	106,480	10,520,742
38	343.2	Transmission & Distribution Mains > 10"	17,733,553	18,176	17,751,729
39	343.3	Subtotal	31,489,066	3,137,126	34,606,193
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Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma UPIS
1		Transmission & Distribution Plant				
2		Fire mains		31,469,066	3,137,126	34,606,193
3	344	Services		0	0	0
4	345	Meters - Bronze Case		3,449,241	493,443	3,942,685
5	346.1	Meters - Plastic Case		2,387,623	418,788	2,806,411
6	346.2	Meters - Not Class By Type		80,479	0	80,479
7	346.3	Meter Installation		511,558	0	511,558
8	347	Hydrants		3,160,891	0	3,160,891
9	348	Other Transmission & Distribution Plant		2,721,471	92,632	2,814,104
10	349	Subtotal		0	0	0
11			43,780,330	4,141,990	47,922,320	
12		General Plant				
13	389	General Land & Land Rights		8,112	0	8,112
14	390	Stores Shops Equipment Structures		204,591	0	204,591
15	390.1	Office Structures		0	0	0
16	390	General Structures - HVAC		0	0	0
17	390.3	Miscellaneous Structures		1,668,281	0	1,668,281
18	391	Office Furniture and Equipment		205,246	14,334	219,580
19	391.2	Computers & Peripheral Equipment		56,179	231,217	287,396
20	391.25	Computer Software		96,335	439,704	536,039
21	391.26	Personal Computer Software		22,221	8,394	30,615
22	391.3	Other Office Equipment		214,438	531	214,969
23	392.11	Transportation Equipment - Light Trucks		211,230	2,886	214,116
24	392.12	Transportation Equipment - Heavy Trucks		0	0	0
25	392.2	Transportation Equipment - Cars		32,766	10,662	43,428
26	392.3	Transportation Equipment - Other		9,593	0	9,593
27	393	Stores Equipment		173,296	0	173,296
28	394	Tools, Shop, & Garage Equipment		821,427	60,280	881,707
29	395	Laboratory Equipment		344,897	0	344,897
30	396	Power Operated Equipment		147,037	0	147,037
31	397	Communication Equipment (non telephone)		63,100	2,708	65,808
32	397.2	Telephone Equipment		27,901	2,494	30,395
33	398	Miscellaneous Equipment		102,728	771	103,499
34	399	Other Tangible Property		0	0	0
35		Subtotal	4,409,379	773,981	5,183,360	
36						
37		Total Plant in Service	\$116,308,308	\$5,907,511	\$122,215,819	
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**Accumulated Depreciation and Amortization
For the Test Year Ended December 31, 2007**

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

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Line #	Acct No	Account Description	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Intangible Plant</u>			
2		Organization	\$0	\$0	\$0
3	301	Franchise & Consents	0	0	0
4	302	Miscellaneous Intangible Plant Studies	0	24,274	24,274
5	303	Subtotal	0	24,274	24,274
6		<u>Source of Supply Plant</u>			
7		Land & Land Rights	0	0	0
8	310	Structures & Improvements	187,384	38,561	225,945
9	311	Collection & Impound Reservoirs	0	0	0
10	312	Lake, River, & Other Intakes	(679,494)	84	(679,410)
11	313	Wells & Springs	(29,021)	440	(28,581)
12	314	Supply Mains	1,064,780	112,366	1,177,146
13	316	Subtotal	543,649	151,451	695,100
14		<u>Pumping Plant</u>			
15		Pumping Land & Land Rights	0	0	0
16	320	Pumping Structures & Improvements	270,766	59,718	330,484
17	321	Boiler Plant Equipment	0	0	0
18	322	Force Mains	270	200	470
19	323	Steam Pumping Equipment	0	0	0
20	324	Electric Pumping Equipment	702,220	89,904	792,124
21	325	Diesel Pumping Equipment	0	0	0
22	326	Pump Equip Hydraulic	0	0	0
23	327	Other Pumping Equipment	237	803	1,040
24	328	Subtotal	973,492	150,626	1,124,118
25		<u>Treatment Plant</u>			
26		Water Treatment Land & Land Rights	0	0	0
27	330	Water Treatment Structures & Improvements	3,467,105	268,055	3,735,160
28	331	Water Treatment Equipment	4,930,052	458,166	5,388,218
29	332	Water Treatment Equipment - Filter Plant	199	406	605
30	332.4	Subtotal	8,397,356	726,627	9,123,983
31		<u>Transmission & Distribution Plant</u>			
32		Transmission & Distribution Land	(741,641)	0	(741,641)
33	340	Transmission & Distribution Structures & Improvements	41,693	8,038	49,731
34	341	Distribution Reservoirs & Standpipes	897,709	31,237	928,946
35	342	Transmission & Distribution Mains Conv	4,282,518	(81,758)	4,200,760
36	343	Transmission & Distribution Mains < 4"	(31,163)	10,908	(20,255)
37	343.1	Transmission & Distribution Mains 6" - 8"	520,778	118,523	639,301
38	343.2	Transmission & Distribution Mains > 10"	967,726	199,742	1,167,468
39	343.3	Subtotal	5,937,620	286,690	6,224,310
40					

**Accumulated Depreciation and Amortization
For the Test Year Ended December 31, 2007**

Line #	Acct No	Account Description	Bal Fwd	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma Reserve
1		<u>Transmission & Distribution Plant</u>				
2		Fire mains		5,937,620	286,690	6,224,310
3	344	Services		0	0	0
4	345	Meters - Bronze Case		341,967	68,960	410,927
5	346.1	Meters - Plastic Case		26,070	33,371	59,441
6	346.2	Meters - Not Class By Type		12,028	1,467	13,495
7	346.3	Meter Installation		1,084,985	9,323	1,094,308
8	347	Hydrants		863,031	57,607	920,638
9	348	Other Transmission & Distribution Plant		946,851	36,792	983,643
10	349	Subtotal		0	0	0
11				<u>9,212,551</u>	<u>494,211</u>	<u>9,706,762</u>
12		<u>General Plant</u>				
13	389	General Land & Land Rights		0	0	0
14	390	Stores Shops Equipment Structures		34,145	3,683	37,828
15	390.1	Office Structures		(390,718)	(11,470)	(402,188)
16	390	General Structures - HVAC		0	0	0
17	390.3	Miscellaneous Structures		886,169	30,029	916,198
18	391	Office Furniture and Equipment		394,582	7,788	402,370
19	391.2	Computers & Peripheral Equipment		(109,947)	31,890	(78,057)
20	391.25	Computer Software		16,972	303,548	320,520
21	391.26	Personal Computer Software		(12,583)	5,975	(6,608)
22	391.3	Other Office Equipment		44,655	10,949	55,604
23	392.11	Transportation Equipment - Light Trucks		23,160	4,787	27,947
24	392.12	Transportation Equipment - Heavy Trucks		(43,340)	0	(43,340)
25	392.2	Transportation Equipment - Cars		14,536	11,353	25,889
26	392.3	Transportation Equipment - Other		244,943	0	244,943
27	393	Stores Equipment		31,143	3,717	34,860
28	394	Tools, Shop, & Garage Equipment		212,801	30,414	243,215
29	395	Laboratory Equipment		62,902	10,347	73,249
30	396	Power Operated Equipment		61,471	7,521	68,992
31	397	Communication Equipment (non telephone)		24,388	3,337	27,725
32	397.2	Telephone Equipment		9,400	2,647	12,047
33	398	Miscellaneous Equipment		33,112	4,128	37,240
34	399	Other Tangible Property		0	0	0
35		Subtotal		<u>1,537,791</u>	<u>460,643</u>	<u>1,998,434</u>
36						
37		Total Plant in Service		<u>\$20,664,839</u>	<u>\$2,007,832</u>	<u>\$22,672,671</u>

**Customer Advances and Contributions in Aid of Construction
For the Test Year Ended December 31, 2007**

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

Case No. WR-2008-XXXX
 Schedule CAS-6-SJO
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Line #	Acct No	Account Description	Per Books 12/31/07	Pro Forma Adjustments	Pro Forma Balance
1		<u>Customer Advances</u>			
2		Advances for Construction - Mains	0	425,271	425,271
3	252.11	Advances for Construction - Extensions	2,632,563	0	2,632,563
4		Advances for Construction - Services	0	0	0
5		Advances for Construction - Hydrants	0	0	0
6		Advances for Construction - WIP	0	0	0
7		Advances for Construction - Taxable Extensions	0	0	0
8	252.71	Total Customer Advances	<u>2,632,563</u>	<u>425,271</u>	<u>3,057,834</u>
9					
10					
11					
12					
13					
14					
15		<u>Contributions in Aid of Construction</u>			
16	271.11	Contributions in Aid - NT Mains	521,667	0	521,667
17	271.12	Contributions in Aid - NT Extension Deposit	792,328	9	792,337
18	271.21	Contributions in Aid - NT Services	(2,320)	209,277	206,957
19	271.30	Contributions in Aid - NT Meters	0	104,290	104,290
20		Contributions in Aid - NT Hydrants	43,379	0	43,379
21		Contributions in Aid - NT Other	31,630	0	31,630
22		Contributions in Aid - WIP	0	0	0
23	271.71	Contributions in Aid - Taxable Mains	779,498	0	779,498
24	271.12	Contributions in Aid - Taxable Extension Deposit	1,129,326	0	1,129,326
25	271.27	Contributions in Aid - Taxable Services	907,835	0	907,835
26	271.37	Contributions in Aid - Taxable Meters	0	0	0
27	271.47	Contributions in Aid - Taxable Hydrants	0	0	0
28		Contributions in Aid - Taxable WIP	0	0	0
29		Contributions in Aid - Tax Services SIT	0	0	0
30	Various	Accumulated Amortization - CIAC	(216,352)	(61,641)	(277,993)
31	Various	Accumulated Amortization - CIAC Taxable	(444,653)	0	(444,653)
32		Total Contributions in Aid of Construction	<u>3,542,337</u>	<u>251,935</u>	<u>3,794,272</u>
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Working Capital

For the Test Year Ended December 31, 2007

Line #

Expense Category	Proforma Expense	Average Daily Expense	Revenue Lag	Expense (Lead)/Lag	Net (Lead)/Lag	Cash Requirement
Base Payroll	1,274,658	3,492	38.18	13.00	25.18	87,934
Tax Withholding	605,646	1,659	38.18	16.56	21.62	35,871
Fuel and Power	720,376	1,974	38.18	37.20	0.98	1,934
Chemicals	739,670	2,026	38.18	38.18	0.00	0
Purchased Water	0	0	38.18	42.45	(4.27)	0
Service Company Charges	1,785,437	4,892	38.18	(3.48)	41.66	203,788
Group Insurance	343,392	941	38.18	(7.50)	45.68	42,976
OPEB's	52,933	145	38.18	3.41	34.77	5,042
Pensions	115,358	316	38.18	17.58	20.60	6,511
ESOP	0	0	38.18	17.58	20.60	0
Insurance Other than Group	298,109	817	38.18	42.44	(4.26)	(3,479)
Uncollectables	196,079	537	38.18	38.18	0.00	0
Rents	50,561	139	38.18	(9.96)	48.14	6,669
401(k)	25,081	69	38.18	38.82	(0.64)	(44)
Other O&M	2,280,580	6,248	38.18	21.41	16.77	104,782
Total O&M Expenses	8,487,880					491,984
Depreciation Amortization Expense	2,500,951	6,852	38.18	38.18	0.00	0
Property Taxes	983,230	2,694	38.18	182.50	(144.32)	(388,766)
Public Service Commission Fee	145,009	397	38.18	(31.63)	69.81	27,734
Franchise and Environment Tax	8,326	23	38.18	(77.50)	115.68	2,639
FICA Taxes	2,808	8	38.18	16.19	21.99	169
FUTA Taxes	135,572	371	38.18	76.38	(38.20)	(14,189)
SUTA Taxes	5,779	16	38.18	76.38	(38.20)	(605)
Federal Income Tax - Current	1,678,301	4,598	38.18	37.00	1.18	5,426
State Income Tax - Current	263,733	723	38.18	58.95	(20.77)	(15,007)
Deferred Income Taxes	422,046	1,156	38.18	38.18	0.00	0
Interest Expense	2,757,014	7,553	38.18	108.85	(70.67)	(533,803)
Preferred Dividends	25,766	71	38.18	45.63	(7.45)	(526)
Total Working Capital Requirement	17,416,415					(424,944)
Total Cash and Working Capital Requirement Used						0

Statement of Income Per Books and Pro Forma
 For the Test Year Ended December 31, 2007

Line #		Schedule Reference	Test year Ended 12/31/07	Adjustments	Pro Forma Present Rates
1					
2					
3					
4					
5					
6	Operating Revenues	CAS-9-SJO	\$17,997,725	\$2,954,307	\$20,952,032
7					
8	Operating Expenses				
9	Operating and Maintenance	CAS-10-SJO	7,642,369	845,511	8,487,880
10	Depreciation Expense	CAS-10-SJO	1,849,065	631,617	2,480,682
11	Amortization Expense	CAS-10-SJO	20,269	0	20,269
12					
13	Taxes other Than Income Taxes				
14	Property Taxes	CAS-10-SJO	958,065	25,165	983,230
15	Payroll Taxes	CAS-10-SJO	119,426	24,733	144,159
16	PSC Fees	CAS-10-SJO	106,394	38,615	145,009
17	Other	CAS-10-SJO	5,743	2,583	8,326
18					
19	Utility Operating Income Before Income Taxes		7,296,394	1,386,083	8,682,477
20					
21	Income Taxes				
22	Federal Income Tax	CAS-12-SJO	479,227	1,199,074	1,678,301
23	State Income Tax	CAS-12-SJO	58,999	204,734	263,733
24	Deferred Income Taxes		619,932	(197,886)	422,046
25	Amortization of Investment Tax Credit		(3,131)		(3,131)
26					
27	Utility Operating Income		\$6,141,367	\$180,161	\$6,321,528
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Adjustment to Revenues Per Books and Pro Forma

For the Test Year Ended December 31, 2007

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

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Schedule CAS-9-SJO
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Line #	Test year Ending 12/31/07	Eliminate Unbilled Revenue	Bill Analysis And Other Adjustments	Bill Analysis at Rates	Normalizaton & Annual Adjustments	Other Adjustments	Pro Forma Present Rate Revenue
1	\$8,987,927	(\$65,181)	(\$632,022)	\$8,290,724	(\$403,782)	\$2,416,270	\$10,303,212
2	3,197,030	(45,095)	(119)	3,151,816	(63,560)	\$884,697	3,972,953
3	2,821,051	(15,947)	(7,565)	2,797,539		\$540,528	3,338,067
4	617,625	(596)	(1)	617,028		\$155,738	772,766
5	1,892,042	7,481	0	1,899,523		\$149,684	2,049,207
6	(6)	0	0	(6)		\$5	(1)
7							
8							
9							
10							
11							
12							
13							
14	17,515,669	(119,338)	(639,707)	16,756,624	(467,342)	4,146,922	20,436,204
15							
16							
17	0	0	0	0	0	0	0
18							
19							
20	196,062	0	(9,575)	186,487	426	42,921	229,834
21							
22	196,062	0	(9,575)	186,487	426	42,921	229,834
23							
24	17,711,731	(119,338)	(649,282)	16,943,111	(466,916)	4,189,843	20,666,038
25							
26							
27	(20)			(20)			(20)
28	6,900			6,900			6,900
29	0			0			0
30	278,414			278,414			278,414
31	700			700			700
32							
33	285,994	0	0	285,994	0	0	285,994
34							
35							
36	\$17,997,725	(\$119,338)	(\$649,282)	\$17,229,105	(\$466,916)	\$4,189,843	\$20,952,032
37							
38							
39							
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Summary of Operations and Maintenance Expenses and General Taxes

For the Test Year Ended December 31, 2007

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

Case No. WR-2008-XXXX
 Schedule CAS-10-SJO
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Line #

The schedule below provides a summary list of the operating and maintenance expenses for the test year and pro forma at present rates as indicated. Each pro forma adjustment is keyed to a schedule as shown on Schedule CAS-11-SJO which provides additional detail and support.

Expense Description	Schedule Reference	Test Year Expense	Adjustment	Pro forma Present Rates
Labor	CAS-11-SJO	\$1,505,484	\$374,820	\$1,880,304
Purchased Water	CAS-11-SJO	0	0	0
Fuel and Power	CAS-11-SJO	702,718	17,658	720,376
Chemicals	CAS-11-SJO	663,964	75,706	739,670
Waste Disposal	CAS-11-SJO	263,702	33,274	296,976
Support Services	CAS-11-SJO	2,064,707	(279,270)	1,785,437
Group Insurance	CAS-11-SJO	396,325	145,416	541,741
Pensions	CAS-11-SJO	136,546	(21,188)	115,358
Regulatory Expense	CAS-11-SJO	6,204	28,217	34,421
Insurance, Other than Group	CAS-11-SJO	380,020	(81,911)	298,109
Customer Accounting	CAS-11-SJO	304,053	72,757	376,810
Rents	CAS-11-SJO	47,308	3,253	50,561
General Office Expense	CAS-11-SJO	61,952	52,120	114,072
Miscellaneous	CAS-11-SJO	749,367	43,342	792,709
Maintenance - Other	CAS-11-SJO	360,019	381,317	741,336
Total Operations and Maintenance		7,642,369	845,511	8,487,880
Depreciation	CAS-11-SJO	1,849,065	631,617	2,480,682
Amortization	CAS-11-SJO	20,269	0	20,269
Total Depreciation and Amortization		1,869,334	631,617	2,500,951
Property Taxes	CAS-11-SJO	958,065	25,165	983,230
Payroll Taxes	CAS-11-SJO	119,426	24,733	144,159
PSC Fees	CAS-11-SJO	106,394	38,615	145,009
Other General Taxes	CAS-11-SJO	5,743	2,583	8,326
Total Taxes Other Than Income Taxes		1,189,628	91,096	1,280,724

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

Line

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

Line No.

[illegible]

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

Line

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

Line No.

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**Proforma State and Federal Income Taxes at Present and Proposed Rates
For the Test Year Ended December 31, 2007**

Missouri Public Service Commission Company: Missouri-American Water Company District: St. Joseph	Case No. WR-2008-XXXX Schedule CAS-12-SJO Page 1 of 1
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Line #

The Company's federal and state income taxes will be affected by all of the pro forma adjustments made at present and proposed rates.

	At Present Rates		At Proposed Rates	
	Federal	State	Federal	State
Utility Operating Income Before Income Taxes	\$8,682,477	\$8,682,477	\$10,410,830	\$10,410,830
Interest Expense Deduction	2,757,014	2,757,014	2,757,014	2,757,014
Taxable Income	5,925,463	5,925,463	7,653,816	7,653,816
Addback (Deducts):				
Tax over Book Depreciation	(870,328)	(870,328)	(870,328)	(870,328)
Non-deductible Meals	3,551	3,551	3,551	3,551
Amortization Preferred Stock Expense	192	192	192	192
Non-deductible Reserve Deficiency	0	0	0	0
Total Addbacks (Deducts)	(866,585)	(866,585)	(866,585)	(866,585)
Taxable Income	5,058,878	5,058,878	6,787,231	6,787,231
Effective Tax Rate (1)	33.1754%	5.2133%	33.1754%	5.2133%
Proforma Income Tax at Present / Proposed Rates	1,678,301	263,733	2,251,688	353,837
Per Books Amount / Present Rates	479,227	58,999	1,678,301	263,733
Proforma adjustment	\$1,199,074	\$204,734	\$573,387	\$90,104

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

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

Line #	Class/ Description	Present Pro Forma Rates		Proposed Pro Forma Rates			Percentage Change
		Sales ('000 Gal)	Total Revenue	Sales ('000 Gal)	Total Revenue	Dollar Change	
1							
2	Monthly Billing:						
3							
4	Residential	1,672,555	\$10,303,212	1,672,555	\$11,252,085	\$948,873	9.21%
5	Commercial	910,500	3,972,953	910,500	4,037,315	64,362	1.62%
6	Industrial	1,880,517	3,338,067	1,880,517	3,716,003	377,936	11.32%
8	Other Public Authority	206,846	772,766	206,846	820,552	47,786	6.18%
9	Other Water Utilities	857,220	2,049,207	857,220	2,354,433	305,226	14.89%
10	Miscellaneous	0	(1)	0	(1)	0	0.00%
11	Private Fire	0	229,834	0	229,834	0	0.00%
12	Public Fire	0	0	0	0	0	0.00%
13	Total	5,527,638	20,666,038	5,527,638	22,410,221	\$1,744,183	8.44%
14							
15							
16	Miscellaneous Revenues:						
17							
18	Reconnect Charges		(20)		(20)	0	0.00%
19	Returned Check Charge		6,900		6,900	0	0.00%
20	Application Fee		0		0	0	0.00%
21	Miscellaneous Other Revenue		278,414		278,414	0	0.00%
22	Rents from Water Property		700		700	0	0.00%
23	Misc Sales		-		0	0	0.00%
24							
25							
26			\$20,952,032		\$22,696,215	\$1,744,183	8.32%
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Missouri Public Service Commission
Company: Missouri-American Water Company
District: St. Joseph

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

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**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended December 31, 2007**

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

**Case No. WR-2008-XXXX
Schedule CAS-14-SJO
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Line #	Class/ Description	Present Pro Forma Rates				Proposed Pro Forma Rates				Percentage Change
		Customer Meter Billings	Sales ('000 Gal)	Current Rate	Total Revenue	Customer Meter Billings	Sales ('000 Gal)	Proposed Rate	Total Revenue	
1										
2	Other Water Utilities:									
3	Minimum Charge:									
4	5/8" Monthly	0		\$9.14	\$0	0		\$13.00	\$0	0.00%
5	3/4" Monthly	0		11.70	0	0		16.65	0	0.00%
6	1" Monthly	0		16.58	0	0		23.60	0	0.00%
7	1-1/2" Monthly	0		28.84	0	0		41.00	0	0.00%
8	2" Monthly	131		43.54	5,704	131		61.90	8,109	42.16%
9	3" Monthly	0		77.81	0	0		110.70	0	0.00%
10	4" Monthly	60		126.77	7,606	60		180.30	10,818	42.23%
11	6" Monthly	36		249.19	8,971	36		354.40	12,758	42.21%
12	8" Monthly	0		396.08	0	0		563.30	0	0.00%
13	10" Monthly	0		672.84	0	0		956.90	0	0.00%
14	12" Monthly	0		1,109.86	0	0		1,578.40	0	0.00%
15										
16										
17	Volumetric Charges:									
18	First Block		9,666	\$4.2233	40,822		9,666	\$3.9600	38,277	-6.23%
19	Second Block		152,284	3.2798	499,461		152,284	3.1500	479,695	-3.96%
20	Third Block		219,563	2.7328	600,022		219,563	3.1500	691,623	15.27%
21	Fourth Block		475,709	1.8638	886,626		475,709	2.3400	1,113,159	25.55%
22	FAL's and Credits		(2)		(5)		(2)		(6)	20.00%
23	Reconcile to Books									
24										
25										
26	Property tax Surcharge			0.0000	0			0.0000	0	0.00%
27										
28	Total		857,220		\$2,049,207		857,220		\$2,354,433	14.89%

**Test Year Operating Revenues at Present Rates vs Proposed Rates
For the Test Year Ended December 31, 2007**

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

**Case No. WR-2008-XXXX
Schedule CAS-14-SJO
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Line #	Connection Size	Number of Connections	Present Rates		Proposed Rates		Dollar Change	Percentage Change
			Annual Rate	Total Revenue	Annual Rate	Total Revenue		
1								
2								
3	Private Fire Service:							
4	Private Fire Hydrant	56	\$594.12	\$33,330	594.12	\$33,330	\$0	0.00%
5								
6	2"	14	85.20	1,193	85.20	1,193	0	0.00%
7								
8	3"	1	146.28	146	146.28	146	0	0.00%
9								
10	4"	68	232.20	15,790	232.20	15,790	0	0.00%
11								
12	6"	142	476.16	67,615	476.16	67,615	0	0.00%
13								
14	8"	93	819.12	76,178	819.12	76,178	0	0.00%
15								
16	10"	14	1,259.16	17,628	1,259.16	17,628	0	0.00%
17								
18	12"	10	1,795.44	17,954	1,795.44	17,954	0	0.00%
19								
20	FAL's and Credits			0		0	0	0.00%
21								
22	Total	398		\$229,834		\$229,834	\$0	0.00%
23								
24								
25								
26	Public Fire Protection:							
27								
28	Public Fire Hydrants	2,972	0.00	0	0.00	0	0	0.00%
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