

Exhibit No.:	
Issues:	Cost Allocation/Rate Design
Witness:	Paul R. Herbert
Exhibit Type:	Direct
Sponsoring Party:	Missouri-American Water Company
Case No.:	WR-2015-0301
	SR-2015-0302
Date:	July 31, 2015

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. WR-2015-0301
CASE NO. SR-2015-0302

DIRECT TESTIMONY

OF

PAUL R. HERBERT

ON BEHALF OF

MISSOURI-AMERICAN WATER COMPANY

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

IN THE MATTER OF MISSOURI-AMERICAN) WATER COMPANY FOR AUTHORITY TO) FILE TARIFFS REFLECTING INCREASED) RATES FOR WATER AND SEWER) SERVICE)		CASE NO. WR-2015-0301 CASE NO. SR-2015-0302
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AFFIDAVIT OF PAUL R. HERBERT

Paul R. Herbert, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony entitled "Direct Testimony of Paul R. Herbert"; that said testimony and schedules were prepared by him and/or under his direction and supervision; that if inquiries were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge.



Paul R. Herbert

Commonwealth of Pennsylvania
County of Cumberland

SUBSCRIBED and sworn to
Before me this 15th day of July 2015.



Notary Public

My commission expires: February 20, 2019

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Cheryl Ann Rutler, Notary Public
East Pennsboro Twp., Cumberland County
My Commission Expires Feb. 20, 2019
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

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1 **I. WITNESS INTRODUCTION AND**
2 **QUALIFICATIONS AND EXPERIENCE**

3 **1. Q. PLEASE STATE YOUR NAME AND ADDRESS.**

4 A. My name is Paul R. Herbert. My business address is 207 Senate Avenue,
5 Camp Hill, Pennsylvania.
6

7 **2. Q. BY WHOM ARE YOU EMPLOYED?**

8 A. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC.
9

10 **3. Q. PLEASE DESCRIBE YOUR POSITION WITH GANNETT FLEMING**
11 **VALUATION AND RATE CONSULTANTS, LLC AND BRIEFLY STATE**
12 **YOUR GENERAL DUTIES AND RESPONSIBILITIES.**

13 A. I am President. My duties and responsibilities include the preparation of
14 accounting and financial data for revenue requirement and cash working
15 capital claims, the allocation of cost of service to customer classifications, and
16 the design of customer rates in support of public utility rate filings.
17

18 **4. Q. HAVE YOU PRESENTED TESTIMONY IN RATE PROCEEDINGS BEFORE**
19 **A REGULATORY AGENCY?**

20 A. Yes. I have testified before the Pennsylvania Public Utility Commission, the
21 New Jersey Board of Public Utilities, the Public Utilities Commission of Ohio,
22 the Public Service Commission of West Virginia, the Kentucky Public Service
23 Commission, the Iowa State Utilities Board, the Virginia State Corporation
24 Commission, the Missouri Public Service Commission, the New Mexico

1 Public Regulation Commission, the Public Utilities Commission of the State of
2 California, the Illinois Commerce Commission, the Arizona Corporation
3 Commission, the Delaware Public Service Commission, the Connecticut
4 Department of Public Utility Control, the Idaho Public Utility Commission, and
5 the Tennessee Regulatory Authority, concerning revenue requirements, cost
6 of service allocation, rate design and cash working capital claims. A list of
7 cases in which I have testified is attached to my testimony.

8
9 **5. Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

10 A. I have a Bachelor of Science Degree in Finance from the Pennsylvania State
11 University, University Park, Pennsylvania.

12
13 **6. Q. WOULD YOU PLEASE DESCRIBE YOUR PROFESSIONAL
14 AFFILIATIONS?**

15 A. I am a member of the American Water Works Association and served as a
16 member of the Management Committee for the Pennsylvania Section. I am
17 also a member of the Pennsylvania Municipal Authorities Association. In
18 1998, I became a member of the National Association of Water Companies
19 as well as a member of its Rates and Revenue Committee.

20
21 **7. Q. BRIEFLY DESCRIBE YOUR WORK EXPERIENCE.**

22 A. I joined the Valuation Division of Gannett Fleming Corddry and Carpenter,
23 Inc., predecessor to Gannett Fleming, Inc., in September 1977, as a Junior

1 Rate Analyst. Since then, I advanced through several positions and was
2 assigned the position of Manager of Rate Studies on July 1, 1990. I was
3 promoted to Vice President on June 1, 1994 and Senior Vice President in
4 November 2003. On July 1, 2007, I was promoted to my current position as
5 President.

6 While attending Penn State, I was employed during the summers of
7 1972, 1973 and 1974 by the United Telephone System - Eastern Group in its
8 accounting department. Upon graduation from college in 1975, I was
9 employed by Herbert Associates, Inc., Consulting Engineers (now Herbert
10 Rowland and Grubic, Inc.), as a field office manager until September 1977.

11
12 **8. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

13 A. The purpose of my testimony is to present and explain Missouri-American
14 Water Company's (or MAWC or Company) State-wide cost of service
15 allocation study for water operations (sometimes called class cost of service
16 study) and proposed rate design set forth in Schedule No. PRH-1. Schedule
17 No. PRH-2, sets forth the cost of service and the revenues under proposed
18 rates for wastewater operations.

19
20 **9. Q. WERE SCHEDULE NOS. PRH-1 AND PRH-2 PREPARED BY YOU OR**
21 **UNDER YOUR DIRECTION AND SUPERVISION?**

22 A. Yes, they were.
23

1 **II. COST OF SERVICE ALLOCATION – WATER**

2
3 **10. Q. BRIEFLY DESCRIBE THE PURPOSE OF YOUR WATER COST**
4 **ALLOCATION STUDY.**

5 A. The purpose of the study was to allocate the State-wide cost of service, which
6 is the total revenue requirement for MAWC water operations to the customer
7 classifications. The State-wide cost of service (All Districts) is the sum of the
8 pro forma cost of operations for the following districts: Brunswick (BRU),
9 Jefferson City (JFC), Joplin (JOP), Mexico (MEX), Platte County (PTC), St.
10 Joseph (SJO), St. Louis Metro Area (SLM), Warrensburg (WAR), and the
11 several small water districts including: Anna Meadows (AMW), Maplewood,
12 Stonebridge, Saddlebrooke, and Emerald Point (MRS), Ozark Mountain and
13 Lake Tanneycomo (OML), Rankin Acres and White Branch (RKA), Spring
14 Valley and Lakewood Manor (SPV), and Tri-States (TRI). Class cost of
15 service studies were also prepared for each of the districts separately except
16 for the small water districts where there is only one customer classification.

17 In the State-wide study, the aggregated cost of water service was
18 allocated to the following customer classifications: Rate A, consisting of
19 residential, commercial, small industrial, and other public authorities
20 customers, Rate B, consisting of sales for resale customers, Rate J,
21 consisting of large users, and Rate F, private fire protection customers. The
22 cost of service associated with public fire protection was identified and
23 reallocated back to the Rate A and Rate J classifications.

24 The study was performed in accordance with generally accepted
25 principles and procedures and results in indications of the relative cost

1 responsibilities of each class of customers. The allocated cost of service is
2 one of several criteria appropriate for consideration in designing customer
3 rates to produce the required revenues. The results of the allocation of the
4 State-wide cost of service for the test year ended December 31, 2014, and
5 the revenues from the proposed rates, which produce the pro forma revenue
6 requirements, are presented in the study.

7
8 **11. Q. PLEASE DESCRIBE THE METHOD OF COST ALLOCATION THAT WAS**
9 **USED IN YOUR STUDY.**

10 A. The base-extra capacity method, as described in 2012 and prior Water Rates
11 Manuals published by the American Water Works Association (AWWA), was
12 used to allocate the pro forma costs. Base-extra capacity is a recognized
13 method for allocating the cost of providing water service to customer
14 classifications in proportion to the classifications' use of the commodity,
15 facilities, and services. It is generally accepted as a sound method for
16 allocating the cost of water service and was used by the Company in previous
17 cases.

18
19 **12. Q. PLEASE DESCRIBE THE PROCEDURE FOLLOWED IN THE STATE-WIDE**
20 **(ALL DISTRICTS) COST ALLOCATION STUDY.**

21 A. Each identified classification of cost in the cost of service study was allocated
22 to the customer classifications through the use of appropriate factors. These
23 allocations are presented in Schedule B for each study. The items of cost,
24 which include operation and maintenance expenses, depreciation expense,

1 taxes and income available for return, are identified in column 1 of Schedule
2 B. The cost of each item, shown in column 3, is allocated to the several
3 customer classifications based on allocation factors referenced in column 2.
4 The development of the allocation factors is presented in Schedule C. I will
5 use some of the larger cost items to illustrate the principles and
6 considerations used in the cost allocation methodology.

7 Purchased water, purchased electric power, treatment chemicals and
8 waste disposal are examples of costs that tend to vary with the amount of
9 water consumed and are thus considered base costs. They are allocated to
10 the several customer classifications in direct proportion to the average daily
11 consumption of those classifications through the use of Factor 1. The
12 development of Factor 1 is shown in Schedule C.

13 Other source of supply, water treatment and transmission costs are
14 associated with meeting usage requirements in excess of the average,
15 generally to meet maximum day requirements. Costs of this nature were
16 allocated to customer classifications partially as base costs, proportional to
17 average daily consumption, partially as maximum day extra capacity costs, in
18 proportion to maximum day extra capacity, and, in the case of pumping
19 stations and transmission mains, partially as fire protection costs, through the
20 use of Factors 2 and 3. The development of the allocation factors, referenced
21 as Factors 2 and 3, is shown in Schedule C.

22 Costs associated with storage facilities and the capital costs of
23 distribution mains were allocated partly on the basis of average consumption
24 and partly on the basis of maximum hour extra demand, including the

1 demand for fire protection service, because these facilities are designed to
2 meet maximum hour and fire demand requirements. The development of the
3 factors, referenced as Factors 4 and 5, used for these allocations is shown in
4 Schedule C.

5 Fire demand costs were allocated to public and private fire protection
6 service in proportion to the relative potential demands on the system by public
7 fire hydrants and private service lines as presented in Schedule E.

8 For operation and maintenance of mains, the relative weightings of
9 Factor 3 (maximum day and fire) and Factor 4 (maximum hour) were based
10 on the footage of transmission and distribution mains. Generally, for cost
11 allocation purposes, mains larger than 10-inch were classified as serving a
12 transmission function and mains 10-inch and smaller were classified as
13 serving a distribution function. The development of this weighted factor is
14 referenced as Factor 6.

15 Costs associated with meters were allocated to customer
16 classifications in proportion to the relative unit costs of the sizes and
17 quantities of meters serving each classification. The development of the
18 factor for meters is referenced as Factor 8. Factor 9, Allocation of Services,
19 was developed in a similar manner as Factor 8, except that the relative unit
20 cost per foot by service size was used in order to weight the number of
21 services by classification. Costs associated with public fire hydrants were
22 assigned directly to the public fire protection class (Factor 7).

23 Costs for customer accounting, billing and collecting were allocated
24 on the basis of the number of customers for each classification, and costs for

1 meter reading were allocated on the basis of metered customers. The
2 development of these factors is referenced as Factor 12 and Factor 13.

3 Administrative and general costs were allocated on the basis of
4 allocated direct costs, excluding those costs such as purchased water, power,
5 chemicals and waste disposal, which require little administrative and general
6 expense. The development of the factor is referenced as Factor 14.

7 Cash working capital is allocated based on total operation and
8 maintenance expense. The development of the factor is referenced as Factor
9 15.

10 Annual depreciation accruals were allocated on the basis of the
11 function of the facilities represented by the depreciation expense for each
12 depreciable plant account. The original cost less depreciation of utility plant
13 in service was similarly allocated for the purpose of developing factors,
14 referenced as Factor 18, for allocating items such as income taxes and
15 return. The development of Factor 18 is presented on the last three pages of
16 Schedule C.

17 Factors 15 and 18, as well as Factors 10, 11, 16, 17 and 19, are
18 composite allocation factors. These factors are based on the result of
19 allocating other costs and are computed internally in the cost allocation
20 program. Refer to Schedule C for a description of the bases for each
21 composite allocation factor.

22
23 **13. Q. WHAT WAS THE SOURCE OF THE TOTAL COST OF SERVICE DATA**
24 **SET FORTH IN COLUMN 3 OF SCHEDULE B?**

1 A. The pro forma costs of service were furnished by the Company, and are set
2 forth in Company accounting exhibits and workpapers.

3

4 **14. Q. REFER TO SCHEDULE C, AND EXPLAIN THE SOURCE OF THE SYSTEM**
5 **MAXIMUM DAY AND MAXIMUM HOUR RATIOS USED IN THE**
6 **DEVELOPMENT OF FACTORS REFERENCED AS FACTORS 2, 3 AND 4.**

7 A. The ratios were based on a review of State-wide system deliveries for the
8 Company. Schedule D shows the experienced maximum day ratios over the
9 last several years. The maximum hour ratios were estimated based on actual
10 data or the relationship of system maximum hour ratios compared to system
11 maximum day ratios for similar systems.

12

13 **15. Q. WHAT FACTORS WERE CONSIDERED IN ESTIMATING THE MAXIMUM**
14 **DAY EXTRA CAPACITY AND MAXIMUM HOUR EXTRA CAPACITY**
15 **DEMANDS USED FOR THE CUSTOMER CLASSIFICATIONS IN THE**
16 **DEVELOPMENT OF FACTORS 2, 3 AND 4?**

17 A. The estimated demands were based on judgment which considered field
18 studies of actual customer class demands conducted for other American
19 Water Companies, field observations of the service areas of the Company,
20 and generally-accepted customer class maximum day and maximum hour
21 demand ratios.

22

23 **16. Q. PLEASE EXPLAIN THE ALLOCATION OF SMALL MAINS.**

24 A. Factor 4, used to allocate distribution mains, was modified to exclude

1 consumption for certain Rate B and Rate J large customers connected
2 primarily to large mains, commonly referred to as transmission mains, in
3 Joplin, St. Joseph and St. Louis Metro Area districts. This was done to
4 recognize that certain industrial and sales for resale customers are connected
5 directly to the transmission system and do not benefit from the smaller
6 distribution mains.

7
8 **17. Q. HOW WAS THIS ADJUSTMENT ACCOMPLISHED?**

9 A. In Joplin, the five largest industrial customers are connected to mains 12-inch
10 and larger. The test year consumption for these five customers was excluded
11 from the Rate J class for the basis of developing Factor 4. In addition, all
12 sales for resale customers are served from the transmission system and
13 therefore were excluded from Factor 4.

14 In St. Joseph, the four largest industrial accounts and all sales for
15 resale accounts are served from mains 12-inch and larger. The test year
16 consumption for these customers was excluded in the development of Factor
17 4. In addition, all sales for resale customers are served from the transmission
18 system and therefore were excluded from Factor 4.

19 In the St. Louis Metro Area, all sales for resale customers (Rates B)
20 are served from the transmission system and therefore, were excluded from
21 Factor 4. For the large user or Rate J classification, an analysis of the
22 customers was performed to determine the size of main which serves each
23 Rate J customer. The analysis showed that out of 141 Rate J customers, 73
24 customers representing 54.2% of the Rate J consumption are connected to

1 mains 12-inch and larger. The remaining 68 customers with 45.8% of the
2 consumption are connected to mains smaller than 12-inch.

3 A further analysis of the 68 customers connected to small mains was
4 conducted to measure the length of distribution mains used to serve these
5 customers from the transmission system. This analysis showed that
6 approximately 130,000 feet of small mains are used from the transmission
7 system to the connection point of the 68 Rate J customers. The 130,000 feet
8 represents about 0.7% of the total 19.3 million feet of distribution mains in the
9 St. Louis Metro area. This analysis clearly shows that although certain Rate J
10 customers are connected to smaller mains, the length of those mains are only
11 a small fraction of the total distribution main system. Therefore, based on this
12 analysis, 10% of the Rate J consumption was used in the development of
13 Factor 4, to reflect that a small part of the distribution mains are used by Rate
14 J customers. In a St. Louis Metro only allocation, this results in an allocation
15 factor of 0.66% for Rate J, which approximates the 0.7% share of the
16 distribution mains.

17
18 **18. Q. HAVE YOU SUMMARIZED THE RESULTS OF YOUR COST ALLOCATION**
19 **STUDY?**

20 A. Yes. The results are summarized in columns 1, 2 and 3 of Schedule A.
21 Column 2 sets forth the total allocated pro forma, State-wide cost of service
22 as of December 31, 2014, for each customer classification identified in
23 column 1. Column 3 presents each customer classification's cost respon-
24 sibility as a percent of the total cost.

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19. Q. HAVE YOU COMPARED THESE COST RESPONSIBILITIES WITH THE PROPORTIONATE REVENUE UNDER EXISTING RATES FOR EACH CUSTOMER CLASSIFICATION?

A. Yes. A comparison of the allocated cost responsibilities and the percentage revenue under existing rates can be made by comparing columns 3 and 5 of Schedule A. A similar comparison of the percentage cost responsibilities (relative cost of service) and the percentage of pro forma revenues (relative revenues) under proposed rates can be made by comparing columns 3 and 7 of Schedule A.

III. CUSTOMER RATE DESIGN – WATER

20. Q. WHAT ARE THE APPROPRIATE FACTORS TO BE CONSIDERED IN THE DESIGN OF THE RATE STRUCTURE?

A. In preparing a rate structure, one should consider the allocated costs of service, the impact of changes from the present rate structure, the understandability and ease of application of the rate structure, community and social influences, and the value of service. General guidelines should be developed with management to determine the extent to which each of these criteria is to be incorporated in the rate structure to be designed, inasmuch as the pricing of a commodity or service is a function of management.

21. Q. DID MANAGEMENT DISCUSS RATE DESIGN GUIDELINES WITH YOU?

1 A. Yes, they did. The guidelines were as follows: (1) Develop rate schedules for
2 three rate zones as a step toward a consolidated tariff pricing rate schedule
3 applicable to all water customers State-wide; (2) propose uniform customer
4 charges to recover the pro forma customer costs by meter size; (3) design
5 volumetric rates for Rate A and Rate J for each rate zone and for Rate B for
6 two rate zones so that proposed revenues by customer classification move
7 toward or approximate the indicated cost of service; (4) design private fire line
8 and private hydrant rates for two rate zones to recover the indicated cost of
9 service; and (5) develop consolidated tariff rates for all wastewater service
10 areas except for Arnold which has its own rate schedule .

11

12 **22. Q. DO YOU AGREE WITH THESE GUIDELINES?**

13 A. Yes, I do.

14

15 **23. Q. HAVE YOU PREPARED PROPOSED RATE SCHEDULES FOR EACH**
16 **CLASSIFICATION FOR THREE RATE ZONES?**

17 A. Yes. Comparisons of present and proposed rate schedules for Rate Zones 1,
18 2, and 3 are set forth in Company Schedule CAS-12. Rate Zone 1 includes
19 St. Louis Metro (SLM), St. Joseph's (SJO), Joplin (JOP), Warrensburg
20 (WAR), Maplewood, Stonebridge, Saddlebrooke, and Emerald Point (MRS),
21 Anna Meadows (AMW), and Tri-States (TRI). Rate Zone 2 includes Mexico
22 (MEX), Jefferson City (JFC) and Platte County (PTC). Rate Zone 3 includes
23 Brunswick (BRU), Ozark Mountain and Lake Tanneycomo (OML), Rankin
24 Acres and White Branch (RKA), and Spring Valley and Lakewood Manor

1 (SPV),
2

3 **24. Q. PLEASE EXPLAIN THE PROPOSED CUSTOMER CHARGES.**

4 A. An analysis of the State-wide customer costs was prepared to determine the
5 appropriate monthly and quarterly minimum charges by meter size. The pro
6 forma customer costs for a 5/8-inch meter is \$17.42 per month and \$31.08
7 per quarter (See Schedule F). Based on this analysis, the 5/8-inch minimum
8 charge was set at \$17.40 per month and \$31.00 per quarter. The increases to
9 the larger sizes (3/4-inch through 12-inch meters) were based on the existing
10 meter ratios by size to the 5/8-inch charge.
11

12 **25. Q. PLEASE EXPLAIN THE VOLUMETRIC CHARGES.**

13 A. Generally, a one-block uniform volumetric rate is proposed for Rate Zones 1,
14 2, and 3 for Rate A and Rate J classifications and Rate Zones 1 and 2 for the
15 Rate B class. The rates were set so that proposed revenues would be nearly
16 aligned with the indicated cost of service without decreasing revenues for any
17 class.
18

19 **26. Q. PLEASE EXPLAIN PRIVATE FIRE CHARGES.**

20 A. The existing private fire revenues exceed the indicated cost of service. Since
21 there is a large disparity between the private fire rates for St. Louis Metro and
22 St. Joseph and the other districts, two separate private fire rate schedules are
23 proposed – Rate F-1 and Rate F-2. St. Louis Metro, St. Joseph and
24 Maplewood will be under Rate F-1 and all other districts will be under Rate F-

1 2.

2

3 **27. Q. PLEASE EXPLAIN THE PUBLIC FIRE HYDRANT CHARGES.**

4 A. The cost of service for public fire protection was established and allocated
5 back to Rate A and Rate J based on meter equivalents. Under proposed
6 rates, public fire service is included in the customer charge and recovered
7 based on meter size.

8

9 **28. Q. HAS THE COMPANY PREPARED PROOF OF REVENUE SCHEDULES**
10 **UNDER PRESENT AND PROPOSED RATES?**

11 A. Yes. The proof of revenue shows that the application of the present and
12 proposed rates to the billing determinants or bill analysis produce the pro
13 forma present and proposed revenue and proves that the proposed rates filed
14 in the proposed tariffs recover the requested revenue requirements.

15 Schedule CAS-11 and 12, sponsored by Mr. Petry, sets forth the proof
16 of revenues from the application of present and proposed rates to the
17 customer consumption analysis. The revenues from these exhibits are
18 brought forward to Schedule A, columns 4 and 6.

19

20 **IV. CONSOLIDATED TARIFF PRICING**

21

22 **29. Q. YOU MENTIONED EARLIER THAT THE PROPOSED RATE DESIGN FOR**
23 **THE THREE RATE ZONES WAS A STEP TOWARD STATE-WIDE**
24 **CONSOLIDATED TARIFF PRICING. PLEASE DESCRIBE THE CONCEPT**

1 **OF CONSOLIDATED TARIFF PRICING.**

2 A. Consolidated tariff pricing (CTP) is the use of the same rates for the same
3 service rendered by a water company regardless of the customer's location.

4
5 **30. Q. WHAT ARE THE FACTORS THAT SUPPORT THE USE OF**
6 **CONSOLIDATED RATES?**

7 A. Consolidated rates are based on the long-term rate stability which results from
8 a consolidated tariff, the operating characteristics of the tariff groups, the
9 equivalent services offered, the cost of service on a district specific basis, and
10 the principle of gradualism.

11
12 **31. Q. PLEASE EXPLAIN HOW CONSOLIDATED RATES WILL PROVIDE LONG-**
13 **TERM RATE STABILITY FOR THE SEVERAL AREAS.**

14 A. Utility customer rates are dependent on the total expenses and rate base of
15 the utility and the amount of the commodity which the utility sells. Changes in
16 rate base, particularly as the result of the Safe Drinking Water Act, have a
17 significant potential for adversely impacting the rates for certain areas within a
18 utility.

19 The ability to absorb the cost of such projects over a larger customer
20 base is a compelling argument in support of rate equalization. Capital
21 programs will never be uniform in the several operating areas, even over
22 periods of 5 to 10 years. The cost of specific programs should be shared by
23 all customers rather than burdening those of the affected areas. Rate
24 increases will be more stable and major increases in specific tariff groups will

1 be avoided.

2

3 **32. Q. IN WHAT MANNER DO THE OPERATING CHARACTERISTICS OF THE**
4 **SEVERAL AREAS SUPPORT CONSOLIDATED TARIFF PRICING?**

5 A. There are many similarities in the manner in which the several areas are
6 operated. All of the systems pump their treated water through transmission
7 lines to distribution areas that include mains, booster pump stations and
8 storage facilities. All of the areas provide water to individual customers
9 through a service line and meter. All of the areas rely on a centralized work
10 force for billing, accounting, engineering, administration, and regulatory
11 matters. All of the areas rely on a common source of funds for financing
12 working capital and plant construction. Inasmuch as the costs of operation are
13 related to functions in which the operating characteristics are the same, the
14 use of equal rates is supported.

15

16 **33. Q. PLEASE EXPLAIN WHY THE EQUIVALENCE OF SERVICES OFFERED**
17 **SUPPORT CONSOLIDATED TARIFF PRICING.**

18 A. The use of the same rates in a utility with noncontiguous service areas is
19 supported by the equivalent service rendered in each area. Although there
20 would be considerable debate with respect to the equivalency of the service
21 rendered to different customer classifications, there is no question that the
22 service rendered to a residence in one area is the same as the service
23 rendered to a residence in another area. Residential customers are relatively
24 consistent in their uses of water: cooking, bathing, cleaning and other sanitary

1 purposes, and lawn sprinkling. If customers use water for the same purposes,
2 the service offering is the same and should be priced accordingly. Thus, from
3 this perspective, there is no basis for charging different prices to customers in
4 different areas.

5
6 **34. Q. DO VARIANCES BETWEEN ALLOCATED COSTS OF THE DISTRICTS**
7 **WARRANT THE USE OF SEPARATE RATE SCHEDULES?**

8 A. No, they do not. Charging one group of customers higher rates because they
9 may be served by a newer plant whose original cost exceeds that of other
10 plants (as a result of inflation) is not logical. The concepts previously
11 discussed outweigh this consideration and justify the goal of moving toward a
12 consolidated tariff. The electric industry reflects such concepts when it serves
13 customers in geographically dispersed areas. A kilowatt-hour delivered in one
14 area has the same price as a kilowatt-hour delivered in another area despite
15 the fact that cost of service studies could be performed to identify differences
16 in the cost of providing service to customer classes in different regions.

17
18 **35. Q. ARE THERE OTHER COST OF SERVICE CONSIDERATIONS THAT**
19 **SUPPORT CONSOLIDATED TARIFF PRICING?**

20 A. Yes. The Company manages the State-wide operations from a common
21 location. Common costs which must be assigned or allocated to each
22 operating area to establish district specific revenue requirements include
23 management fees, corporate headquarter costs, office costs, customer service
24 costs, depreciation expense developed on the basis of Company-wide

1 depreciation rates, capital structure, and income tax expense based on total
2 Company financing and tax provisions. The allocations of common costs,
3 while reasonable, are subject to judgment and may not result in the
4 development of district specific revenue requirements which reflect precisely
5 the cost of serving each area.

6
7 **36. Q. BRIEFLY SUMMARIZE YOUR ANALYSIS OF CONSOLIDATED TARIFF**
8 **PRICING FOR MAWC.**

9 A. Consolidated Tariff Pricing is appropriate for MAWC. Such pricing is
10 supported by considerations of the benefits of sharing the impact of capital
11 programs on a Company-wide basis, the significant majority of common costs,
12 and the equivalent service rendered. The best interests of the customers are
13 served through gradualism by continuing to implement consolidated rates
14 during this case and in subsequent rate cases.

15 For additional testimony regarding the merits of CTP, please refer to
16 the direct testimony of Mr. Karl McDermott.

17
18 **V. STRAIGHT FIXED VARIABLE PRICING**

19
20 **37. Q. THE COMPANY IS PROPOSING IN THIS CASE THE REVENUE**
21 **STABILIZATION MECHANISM (RSM). PLEASE COMMENT ON THE**
22 **MERITS OF RSM VERSUS AN ALTERNATIVE PRICING SUCH AS**
23 **STRAIGHT FIXED VARIABLE PRICING.**

24 A. The Company believes that a move toward consolidated tariff that consists of

1 a fixed customer charge that recovers customer costs with a volumetric charge
2 by class and the RSM is the most efficient rate structure and protects the
3 Company from declining sales. An alternative to the RSM would be a straight
4 fixed variable rate structure.

5
6 **38. Q. WHAT IS A STRAIGHT FIXED VARIABLE RATE STRUCTURE?**

7 A. A straight fixed variable rate structure would recover all of the company's fixed
8 costs in a monthly fixed charge and only the variable costs would be recovered
9 in the volumetric charge. For a typical water company, over 90% of the costs
10 are fixed and only the true variable costs such as power, chemicals, waste
11 disposal and purchased water are included in the volumetric rate. For MAWC,
12 only 7.26% of the total costs are considered variable.

13
14 **39. Q. WHAT WOULD A STRAIGHT FIXED VARIABLE RATE STRUCTURE LOOK
15 LIKE FOR MAWC?**

16 A. Preliminary calculations show that a 5/8-inch customer would pay a monthly
17 fixed charge of approximately \$56 and a volumetric rate of about \$0.039 per
18 hundred gallons. Larger meter sizes would pay higher fixed charges with the
19 same volumetric rate.

20
21 **40. Q. WHAT IS YOUR OPINION REGARDING SUCH A RATE STRUCTURE?**

22 A. This would be an alternative to an RSM by having a guarantee of recovering
23 the Company's fixed costs, however low-use customers would be adversely
24 affected and there would be little incentive for customers to conserve.

1

2 **VI. CUSTOMER RATE DESIGN – WASTEWATER**

3

4 **41. Q. PLEASE DESCRIBE THE RATE DESIGN FOR THE WASTEWATER**
5 **OPERATIONS.**

6 A. Class cost of service studies were not performed for wastewater since the
7 customer base is predominantly residential. The proposed rate design
8 consists of two rate zones – one for Arnold and a consolidated tariff for all the
9 REMAINING DISTRICTS.

10

11 **42. Q. WHY WAS ARNOLD LEFT OUT OF THE CONSOLIDATED TARIFF?**

12 A. The increase for Arnold was limited to Arnold's cost of service. Placing
13 Arnold on the consolidated tariff would have generated more revenue than
14 their costs. Arnold's proposed rates reflect a 25.35% increase to their
15 existing minimum and volumetric charges as well as their flat rate charge.

16

17 **43. Q. WHAT ARE THE CONSOLIDATED RATES?**

18 A. The rate structure for the remaining districts includes a \$40.00 per month
19 minimum charge for customers with 5/8-inch water meters, increasing for
20 larger-sized meters, and a volumetric charge of \$0.5900 per hundred gallons.
21 The flat rate charge of \$69.50 per month reflects an average monthly usage
22 of 5,000 gallons priced out at the above rates.

23

24 **44. Q. DOES THIS COMPLETE YOUR TESTIMONY AT THIS TIME?**

1 A. Yes, it does.

LIST OF CASES IN WHICH PAUL R. HERBERT TESTIFIED

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
1.	1983	Pa. PUC	R-832399	T. W. Phillips Gas and Oil Co.	Pro Forma Revenues
2.	1989	Pa. PUC	R-891208	Pennsylvania-American Water Company	Bill Analysis and Rate Application
3.	1991	WV PSC	91-106-W-MA	Clarksburg Water Board	Revenue Requirements (Rule 42)
4.	1992	Pa. PUC	R-922276	North Penn Gas Company	Cash Working Capital
5.	1992	NJ BPU	WR92050532J	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
6.	1994	Pa. PUC	R-943053	The York Water Company	Cost Allocation and Rate Design
7.	1994	Pa. PUC	R-943124	City of Bethlehem	Revenue Requirements, Cost Allocation, Rate Design and Cash Working Capital
8.	1994	Pa. PUC	R-943177	Roaring Creek Water Company	Cash Working Capital
9.	1994	Pa. PUC	R-943245	North Penn Gas Company	Cash Working Capital
10.	1994	NJ BPU	WR94070325	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
11.	1995	Pa. PUC	R-953300	Citizens Utilities Water Company of Pennsylvania	Cost Allocation and Rate Design
12.	1995	Pa. PUC	R-953378	Apollo Gas Company	Rev. Requirements and Rate Design
13.	1995	Pa. PUC	R-953379	Carnegie Natural Gas Company	Rev. Requirements and Rate Design
14.	1996	Pa. PUC	R-963619	The York Water Company	Cost Allocation and Rate Design
15.	1997	Pa. PUC	R-973972	Consumers Pennsylvania Water Company Shenango Valley Division	Cash Working Capital
16.	1998	Ohio PUC	98-178-WS-AIR	Citizens Utilities Company of Ohio	Water and Wastewater Cost Allocation and Rate Design
17.	1998	Pa. PUC	R-984375	City of Bethlehem - Bureau of Water	Revenue Requirement, Cost Allocation and Rate Design
18.	1999	Pa. PUC	R-994605	The York Water Company	Cost Allocation and Rate Design
19.	1999	Pa. PUC	R-994868	Philadelphia Suburban Water Company	Cost Allocation and Rate Design
20.	1999	WV PSC	99-1570-W-MA	Clarksburg Water Board	Revenue Requirements (Rule 42), Cost Allocation and Rate Design
21.	2000	Ky. PSC	2000-120	Kentucky-American Water Company	Cost Allocation and Rate Design
22.	2000	Pa. PUC	R-00005277	PPL Gas Utilities	Cash Working Capital
23.	2000	NJ BPU	WR00080575	Atlantic City Sewerage Company	Cost Allocation and Rate Design
24.	2001	Ia. St Util Bd	RPU-01-4	Iowa-American Water Company	Cost Allocation and Rate Design
25.	2001	Va. St. CC	PUE010312	Virginia-American Water Company	Cost Allocation and Rate Design
26.	2001	WV PSC	01-0326-W-42T	West-Virginia American Water Company	Cost Allocation And Rate Design
27.	2001	Pa. PUC	R-016114	City of Lancaster	Tapping Fee Study
28.	2001	Pa. PUC	R-016236	The York Water Company	Cost Allocation and Rate Design
29.	2001	Pa. PUC	R-016339	Pennsylvania-American Water Company	Cost Allocation and Rate Design
30.	2001	Pa. PUC	R-016750	Philadelphia Suburban Water Company	Cost Allocation and Rate Design
31.	2002	Va.St.CC	PUE-2002-0375	Virginia-American Water Company	Cost Allocation and Rate Design
32.	2003	Pa. PUC	R-027975	The York Water Company	Cost Allocation and Rate Design
33.	2003	Tn Reg Auth	03-	Tennessee-American Water Company	Cost Allocation and Rate Design
34.	2003	Pa. PUC	R-038304	Pennsylvania-American Water Company	Cost Allocation and Rate Design
35.	2003	NJ BPU	WR03070511	New Jersey-American Water Company	Cost Allocation and Rate Design
36.	2003	Mo. PSC	WR-2003-0500	Missouri-American Water Company	Cost Allocation and Rate Design
37.	2004	Va.St.CC	PUE-200 -	Virginia-American Water Company	Cost Allocation and Rate Design
38.	2004	Pa. PUC	R-038805	Pennsylvania Suburban Water Company	Cost Allocation and Rate Design
39.	2004	Pa. PUC	R-049165	The York Water Company	Cost Allocation and Rate Design
40.	2004	NJ BPU	WRO4091064	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
41.	2005	WV PSC	04-1024-S-MA	Morgantown Utility Board	Cost Allocation and Rate Design
42.	2005	WV PSC	04-1025-W-MA	Morgantown Utility Board	Cost Allocation and Rate Design
43.	2005	Pa. PUC	R-051030	Aqua Pennsylvania, Inc.	Cost Allocation and Rate Design
44.	2006	Pa. PUC	R-051178	T. W. Phillips Gas and Oil Co.	Cost Allocation and Rate Design
45.	2006	Pa. PUC	R-061322	The York Water Company	Cost Allocation and Rate Design
46.	2006	NJ BPU	WR-06030257	New Jersey American Water Company	Cost Allocation and Rate Design
47.	2006	Pa. PUC	R-061398	PPL Gas Utilities, Inc.	Cost Allocation and Rate Design
48.	2006	NM PRC	06-00208-UT	New Mexico American Water Company	Cost Allocation and Rate Design

LIST OF CASES IN WHICH PAUL R. HERBERT TESTIFIED

<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>	
49.	2006	Tn Reg Auth	06-00290	Tennessee American Water Company	Cost Allocation and Rate Design
50.	2007	Ca. PUC	U-339-W	Suburban Water Systems	Water Conservation Rate Design
51.	2007	Ca. PUC	U-168-W	San Jose Water Company	Water Conservation Rate Design
52.	2007	Pa. PUC	R-00072229	Pennsylvania American Water Company	Cost Allocation and Rate Design
53.	2007	Ky. PSC	2007-00143	Kentucky American Water Company	Cost Allocation and Rate Design
54.	2007	Mo. PSC	WR-2007-0216	Missouri American Water Company	Cost Allocation and Rate Design
55.	2007	Oh. PUC	07-1112-WS-IR	Ohio American Water Company	Cost Allocation and Rate Design
56.	2007	Il. CC	07-0507	Illinois American Water Company	Customer Class Demand Study
57.	2007	Pa. PUC	R-00072711	Aqua Pennsylvania, Inc.	Cost Allocation and Rate Design
58.	2007	NJ BPU	WR07110866	The Atlantic City Sewerage Company	Cost Allocation and Rate Design
59.	2007	Pa. PUC	R-00072492	City of Bethlehem – Bureau of Water	Revenue Reqmts, Cost Alloc.
60.	2007	WV PSC	07-0541-W-MA	Clarksburg Water Board	Cost Allocation and Rate Design
61.	2007	WV PSC	07-0998-W-42T	West Virginia American Water Company	Cost Allocation and Rate Design
62.	2008	NJ BPU	WR08010020	New Jersey American Water Company	Cost Allocation and Rate Design
63.	2008	Va St CC	PUE-2008-0009	Virginia American Water Company	Cost Allocation and Rate Design
64.	2008	Tn.Reg.Auth.	08-00039	Tennessee American Water Company	Cost Allocation and Rate Design
65.	2008	Mo PSC	WR-2008-0311	Missouri American Water Company	Cost Allocation and Rate Design
66.	2008	De PSC	08-96	Artesian Water Company, Inc.	Cost Allocation and Rate Design
67.	2008	Pa PUC	R-2008-2032689	Penna. American Water Co. – Coatesville Wastewater	Cost Allocation and Rate Design
68.	2008	AZ CC.	W-01303A-08-0227 SW-01303A-08-0227	Arizona American Water Co. - Water - Wastewater	Cost Allocation and Rate Design
69.	2008	Pa PUC	R-2008-2023067	The York Water Company	Cost Allocation and Rate Design
70.	2008	WV PSC	08-0900-W-42T	West Virginia American Water Company	Cost Allocation and Rate Design
71.	2008	Ky PSC	2008-00250	Frankfort Electric and Water Plant Board	Cost Allocation and Rate Design
72.	2008	Ky PSC	2008-00427	Kentucky American Water Company	Cost Allocation and Rate Design
73.	2009	Pa PUC	2008-2079660	UGI – Penn Natural Gas	Cost of Service Allocation
74.	2009	Pa PUC	2008-2079675	UGI – Central Penn Gas	Cost of Service Allocation
75.	2009	Pa PUC	2009-2097323	Pennsylvania American Water Co.	Cost Allocation and Rate Design
76.	2009	Ia St Util Bd	RPU-09-	Iowa-American Water Company	Cost Allocation and Rate Design
77.	2009	Il CC	09-0319	Illinois-American Water Company	Cost Allocation and Rate Design
78.	2009	Oh PUC	09-391-WS-AIR	Ohio-American Water Company	Cost Allocation and Rate Design
79.	2009	Pa PUC	R-2009-2132019	Aqua Pennsylvania, Inc.	Cost Allocation and Rate Design
80.	2009	Va St CC	PUE-2009-0059	Aqua Virginia, Inc.	Cost Allocation (only)
81.	2009	Mo PSC	WR-2010-0131	Missouri American Water Company	Cost Allocation and Rate Design
82.	2010	VaSt CorpCom	PUE-2010-00001	Virginia American Water Company	Cost Allocation and Rate Design
83.	2010	Ky PSC	2010-00036	Kentucky American Water Company	Cost Allocation and Rate Design
84.	2010	NJ BPU	WR10040260	New Jersey American Water Company	Cost Allocation and Rate Design
85.	2010	Pa PUC	2010-2167797	T.W. Phillips Gas and Oil Co.	Cost Allocation and Rate Design
86.	2010	Pa PUC	2010-2166212	Pennsylvania American Water Co. - Wastewater	Cost Allocation and Rate Design
87.	2010	Pa PUC	R-2010-2157140	The York Water Company	Cost Allocation and Rate Design
88.	2010	Ky PSC	2010-00094	Northern Kentucky Water District	Cost Allocation and Rate Design
89.	2010	WV PSC	10-0920-W-42T	West Virginia American Water Co.	Cost Allocation and Rate Design
90.	2010	Tn Reg Auth	10-00189	Tennessee American Water Company	Cost Allocation and Rate Design
91.	2010	Ct PU RgAth	10-09-08	United Water Connecticut	Cost Allocation and Rate Design
92.	2010	Pa PUC	R-2010-2179103	City of Lancaster-Bureau of Water	Rev Rqmts, Cst Alloc/Rate Design
93.	2011	Pa PUC	R-2010-2214415	UGI Central Penn Gas, Inc.	Cost Allocation
94.	2011	Pa PUC	R-2011-2232359	The Newtown Artesian Water Co.	Revenue Requirement
95.	2011	Pa PUC	R-2011-2232243	Pennsylvania-American Water Co.	Cost Allocation and Rate Design
96.	2011	Pa PUC	R-2011-2232985	United Water Pennsylvania Inc.	Demand Study, COS/Rate Design
97.	2011	Pa PUC	R-2011-2244756	City of Bethlehem-Bureau of Water	Rev. Rqmts/COS/Rate Design
98.	2011	Mo PSC	WR-2011-0337-338	Missouri American Water Company	Cost Allocation and Rate Design
99.	2011	Oh PUC	11-4161-WS-AIR	Ohio American Water Company	Cost Allocation and Rate Design
100.	2011	NJ BPU	WR11070460	New Jersey American Water Company	Cost Allocation and Rate Design

LIST OF CASES IN WHICH PAUL R. HERBERT TESTIFIED

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
101.	2011	Id PUC	UWI-W-11-02	United Water Idaho Inc.	Cost Allocation and Rate Design
102.	2011	Il CC	11-0767	Illinois-American Water Company	Cost Allocation and Rate Design
103.	2011	Pa PUC	R-2011-2267958	Aqua Pennsylvania, Inc.	Cost Allocation and Rate Design
104.	2011	VaStCom	2011-00099	Aqua Virginia, Inc.	Cost Allocation
105.	2011	VaStCom	2011-00127	Virginia American Water Company	Cost Allocation and Rate Design
106.	2012	TnRegAuth	12-00049	Tennessee American Water Company	Cost Allocation and Rate Design
107.	2012	Ky PSC	2012-00072	Northern Kentucky Water District	Cost Allocation and Rate Design
108.	2012	Pa PUC	R-2012-2310366	Lancaster, City of – Sewer Fund	Cost Allocation and Rate Design
109.	2012	Ky PSC	2012-00520	Kentucky American Water Co.	Cost Allocation and Rate Design
110.	2013	WV PSC	12-1649-W-42T	West Virginia American Water Co.	Cost Allocation and Rate Design
111.	2013	Ia St Util Bd	RPU-2013-000_	Iowa American Water Company	Cost Allocation and Rate Design
112.	2013	Pa PUC	R-2013-2355276	Pennsylvania American Water Co.	Cost Allocation and Rate Design
113.	2013	Pa PUC	R-2012-2336379	The York Water Company	Cost Allocation and Rate Design
114.	2013	Pa PUC	R-2013-2350509	City of DuBois – Bureau of Water	Cost Allocation and Rate Design
115.	2013	Pa PUC	R-2013-2390244	City of Bethlehem – Bureau of Water	Cost Allocation and Rate Design
116.	2014	Pa PUC	R-2014-2418872	City of Lancaster – Bureau of Water	Cost Allocation and Rate Design
117.	2014	Pa PUC	R-2014-2428304	Borough of Hanover	Cost Allocation and Rate Design
118.	2014	VASTcom	2014-00045	Aqua Virginia, Inc.	Cost Allocation
119.	2015	NJ BPU	WR15010035	New Jersey American Water Company	Cost Allocation and Rate Design
120.	2015	Pa PUC	R-2015-2462723	United Water PA	Cost Allocation and Rate Design
121.	2015	WV PSC		West Virginia American Water Company	Cost Allocation and Rate Design
122.	2015	Id PUC	UWI-W-15-01	United Water Idaho Inc.	Pro Forma Revenues

MISSOURI-AMERICAN WATER COMPANY

St. Louis, Missouri

WATER OPERATIONS

COST OF SERVICE ALLOCATION STUDY
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Harrisburg, Pennsylvania



*Excellence Delivered **As Promised***

July 29, 2015

Missouri-American Water Company
727 Craig Road
St. Louis, MO 63141

Attention Mr. Frank Kartmann, President

Gentlemen:

Pursuant to your request, we have conducted a cost of service allocation study based on the consolidated water utility revenue requirements estimated for the test year ended December 31, 2014.

The attached report presents the results of the allocation study, as well as supporting schedules which set forth the detailed cost allocation calculations. Schedule A presents a comparison of the cost of service by customer classification with the pro forma revenues produced by each classification under present and proposed rates.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

A handwritten signature in blue ink that reads "Paul R. Herbert".

PAUL R. HERBERT
President

A handwritten signature in blue ink that reads "Constance E. Heppenstall".

CONSTANCE E. HEPPENSTALL
Project Manager, Rate Studies

PRH:krm

Attachment

059980

Gannett Fleming Valuation and Rate Consultants, LLC

P.O. Box 67100 • Harrisburg, PA 17106-7100 | 207 Senate Avenue • Camp Hill, PA 17011-2316

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SMALL WATER DISTRICTS

Comparison of Cost of Service with Revenues under Present and
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Ozark Mountain / Lake Tanneycomo	SWD-3
Rankin Acres / White Branch	SWD-4
Spring Valley / Lakewood Manor	SWD-5
Tri States	SWD-6

PART I. INTRODUCTION

MISSOURI-AMERICAN WATER COMPANY
COST OF SERVICE ALLOCATION STUDY
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

PART I. INTRODUCTION

PLAN OF REPORT

The report sets forth the results of the cost of service allocation study based on the consolidated state-wide revenue requirements and district specific revenue requirements for water utility operations as of December 31, 2014, for Missouri-American Water Company. Part I, Introduction, contains statements with respect to the basis of the study, the procedures employed, and a summary of the results of the study. Part II, Cost of Service by Customer Classification, presents detailed schedules of the allocation of costs to customer classifications, as well as the bases for the allocations for the consolidated state-wide revenue requirements. Schedule A in Part II summarizes the cost allocation and the revenues produced under present and proposed rates. Part III presents detailed schedules for the allocation of costs to customer classification on a district specific basis.

BASIS OF STUDY

The purpose of the cost allocation study was to determine the relative cost of service responsibilities of the several customer classifications based on considerations of quantity of water consumed, variability of rate of consumption, and costs associated with customer metering, billing and accounting. The allocation study incorporated generally-accepted principles and procedures for allocating the several categories of cost to customer classifications in proportion to each classification's use of facilities, commodities and services required in providing water service.

ALLOCATION PROCEDURES

The allocation studies were based on the Base-Extra Capacity Method for allocating costs to customer classifications. The method is described in the 2012 and prior editions of the Water Rates Manual published by the American Water Works Association. The four basic categories of cost responsibility are base, extra capacity, customer, and fire protection costs. The following discussion presents a brief description of these costs and the manner in which they were allocated.

Base Costs are costs that tend to vary with the quantity of water used, plus costs associated with supplying, treating, pumping, and distributing water to customers under average load conditions, without the elements necessary to meet peak demands. Base costs were allocated to customer classifications on the basis of average daily usage.

Extra Capacity Costs are costs associated with meeting usage requirements in excess of the average. They include operating and capital costs for additional plant and system capacity beyond that required for average use. The extra capacity costs in this study are subdivided into costs necessary to meet maximum day extra demand and costs to meet maximum hour extra demand. The extra capacity costs were allocated to customer classifications on the bases of each classification's maximum day and hour usage in excess of average usage.

Customer Costs are costs associated with serving customers regardless of their usage or demand characteristics. Customer costs include the operating and capital costs related to meters and services, meter reading costs, and billing and collecting costs. The customer costs were allocated on the bases of the capital cost of meters and services, and the number of customers.

Fire Protection Costs are costs associated with providing the facilities to meet the potential peak demand of fire protection service. Fire Protection costs are subdivided into costs to meet Public Fire Protection and Private Fire Protection demands. The extra capacity costs assigned to fire protection service were allocated to Public and Private Fire Protection on the basis of the total relative demands of the hydrants and fire service lines, sized to provide fire protection.

RESULTS OF STUDY

The results of the cost of service allocation studies are set forth in Parts II and III. The data summarized in Schedule A, Comparison of Pro Forma Cost of Service with Revenues Under Present and Proposed Rates for the Test Year Ended December 31, 2014 for each cost of service study, constitute the principal results of the cost allocation studies and subsequent rate design.

The cost of service by customer classification shown in column 2 of Schedule A is developed in Schedule B, Cost of Service for the Twelve Months Ended December 31, 2014, Allocated to Customer Classifications, for each study. The allocation of the total cost of service to the several customer classifications was performed by applying the allocation factors referenced in column 2 of Schedule B to the cost of service set forth in column 3. The bases for the allocation factors are presented in Schedule C.

Schedule D sets forth the experienced average day and maximum day system sendout and the maximum day ratios through 2014. Schedule E presents the basis for allocating demand related costs of fire service to private and public fire protection classifications.

II-1

PART II. COST OF SERVICE BY CUSTOMER CLASSIFICATION

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
	Rate A - Res/Com/Ind/OPA	\$ 269,594,961	91.5%	\$ 218,874,687	89.4%	\$ 268,134,462	91.1%	\$49,259,775
Rate B - Sales for Resale	6,176,888	2.1%	6,923,861	2.8%	6,925,545	2.4%	1,684	0.0%
Rate J - Large User	14,345,881	4.9%	14,843,579	6.1%	14,848,577	5.0%	4,997	0.0%
Rate F - Private Fire	4,077,268	1.4%	4,282,832	1.7%	4,286,048	1.5%	3,215	0.1%
Total Sales	294,194,998	<u>99.9%</u>	244,924,959	<u>100.0%</u>	294,194,631	<u>100.0%</u>	49,269,672	20.1%
Other Revenues*	7,678,925		7,671,914		7,678,925		7,011	0.1%
Total	<u>\$ 301,873,923</u>		<u>\$ 252,596,873</u>		<u>\$ 301,873,556</u>		<u>\$49,276,683</u>	19.5%

* Includes Rate G, H and Contract Sales.

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large User Rate J	Fire Protection	
						Rate F	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OPERATION AND MAINTENANCE EXPENSES							
SOURCE OF SUPPLY EXPENSES							
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS - Labor	2	75,723	65,334	3,453	6,701	38	197
Labor & Exp Oper SS	2	390,823	337,202	17,822	34,588	195	1,016
Purchased Water	1	983,579	801,617	52,326	123,636	984	5,016
TOTAL SS EXPENSE - OPERATION		1,450,124	1,204,152	73,601	164,925	1,217	6,229
Misc Exp Oper SS	2	601,264	518,771	27,418	53,212	301	1,563
Misc Exp Oper SS	2	673,348	580,964	30,705	59,591	337	1,751
Rents Oper SS	2	2,603	2,246	119	230	1	7
Super & Eng Maint SS - Labor	2	58	50	3	5	0	0
Collect & Impound Maint SS - Labor	2	230	198	10	20	0	1
Lake, River & Oth Maint SS - Labor	2	372	321	17	33	0	1
Lake, River & Oth Maint SS	2	21	19	1	2	0	0
Wells & Springs Maint SS - Labor	2	97,691	84,288	4,455	8,646	49	254
Wells & Springs Maint SS	2	909	784	41	80	0	2
Infilt Gall & Tunnels Maint SS - Labor	2	605	522	28	54	0	2
Infilt Gall & Tunnels Maint SS	2	0					
Supply Mains Maint SS - Labor	2	1,138	982	52	101	1	3
Misc Plant Maint SS - Labor	2	252,884	218,188	11,532	22,380	126	657
Misc Plant Maint SS	2	31,931	27,550	1,456	2,826	16	83
TOTAL SS EXPENSE - MAINTENANCE		1,663,053	1,434,882	75,835	147,180	832	4,324
TOTAL SS EXPENSE		3,113,178	2,639,035	149,436	312,105	2,048	10,553
POWER AND PUMPING EXPENSES							
Super & Eng Oper P	3	107,156	88,479	4,661	9,055	1,093	3,868
Fuel for Power Prod	1	12,522	10,205	666	1,574	13	64
Labor & Exp Oper Pwr Prod - Labor	3	664	548	29	56	7	24
Purch Fuel/Power for Pump	1	10,292,057	8,388,026	547,537	1,293,712	10,292	52,489
Labor & Exp Oper Pump - Labor	3	2,394,863	1,977,439	104,177	202,366	24,428	86,455
Labor & Exp Oper Pump	3	290,887	240,186	12,654	24,580	2,967	10,501
Misc Exp Oper P	3	25,711	21,230	1,118	2,173	262	928
Rents Oper P	3	2,415	1,994	105	204	25	87
TOTAL PUMPING EXPENSE - OPERATION		13,126,275	10,728,107	670,947	1,533,719	39,086	154,417

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large User Rate J (6)	Fire Protection	
						Rate F (7)	Public (8)
Super & Eng Maint P	3	115,263	95,173	5,014	9,740	1,176	4,161
Super & Eng Maint P - Other	3	332	274	14	28	3	12
Struct & Improve Maint P - Labor	3	694,842	573,731	30,226	58,714	7,087	25,084
Struct & Improve Maint P	3	89,717	74,080	3,903	7,581	915	3,239
Pump Equip Maint P - Labor	3	462	382	20	39	5	17
Pump Equip Maint P - Labor	3	140,274	115,824	6,102	11,853	1,431	5,064
Pump Equip Maint P	3	39,816	32,876	1,732	3,364	406	1,437
TOTAL PUMPING EXPENSES - MAINTENANCE		1,080,707	892,339	47,011	91,320	11,023	39,014
TOTAL PUMPING EXPENSES		14,206,982	11,620,446	717,958	1,625,039	50,109	193,430
WATER TREATMENT							
Super & Eng Oper WT	2	245,508	211,824	11,195	21,727	123	638
Super & Eng Oper WT	2	22	19	1	2	0	0
Chemicals	1	8,921,667	7,271,159	474,633	1,121,454	8,922	45,501
Labor & Exp Oper WT - Labor	2	1,364,388	1,177,194	62,216	120,748	682	3,547
Labor & Exp Oper WT	2	569,217	491,120	25,956	50,376	285	1,480
Misc Exp Oper WT	2	0	0	0	0	0	0
Misc Exp Oper WT - Waste Disposal	1	562,667	458,574	29,934	70,727	563	2,870
Misc Exp Oper WT	2	54,840	47,316	2,501	4,853	27	143
Misc Exp Oper WT - Purchased Power	1	706,265	575,606	37,573	88,777	706	3,602
Rents Oper WT	2	12,038	10,387	549	1,065	6	31
TOTAL WT EXPENSE - OPERATION		12,436,612	10,243,198	644,558	1,479,730	11,314	57,812
Super & Eng Maint WT	2	1,712,813	1,477,815	78,104	151,584	856	4,453
Super & Eng Maint WT - Contractor	2	61,572	53,125	2,808	5,449	31	160
Struct & Improve Maint WT - Labor	2	34	29	2	3	0	0
Struct & Improve Maint WT	2	50	43	2	4	0	0
WT Equip Maint WT - Labor	2	3,540	3,054	161	313	2	9
WT Equip Maint WT	2	856,241	738,765	39,045	75,777	428	2,226
TOTAL WT EXPENSE - MAINTENANCE		2,634,250	2,272,831	120,122	233,131	1,317	6,849

MISSOURI-AMERICAN WATER COMPANY
 ALL WATER DISTRICTS
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large User Rate J (6)	Fire Protection	
						Rate F (7)	Public (8)
TOTAL WT EXPENSE		15,070,862	12,516,029	764,680	1,712,862	12,631	64,661
TRANSMISSION AND DISTRIBUTION EXPENSES							
Super & Eng Oper TD	10	533,065	486,581	3,145	11,088	15,246	17,005
Super & Eng Oper - Other	10	26,528	24,215	157	552	759	846
Storage Facility Exp - Labor	5	48,334	36,724	2,146	3,306	1,363	4,795
Storage Facility Exp	5	270	205	12	18	8	27
TD Lines Exp - Labor	6	1,984,052	1,755,092	18,848	62,101	32,538	115,472
TD Lines Exp	6	120,193	106,323	1,142	3,762	1,971	6,995
Meter Expense - Labor	8	1,080,296	1,056,421	864	11,235	11,775	0
Meter Expense	8	31,776	31,074	25	330	346	0
Customer Install Exp - Labor	9	616,897	558,415	308	1,727	56,446	0
Customer Install Exp	9	103,958	94,103	52	291	9,512	0
Misc Exp Oper TD - Labor	10	1,676,007	1,529,859	9,888	34,861	47,934	53,465
Misc Exp Oper TD	10	1,696,898	1,548,929	10,012	35,295	48,531	54,131
Rents Oper TD	10	67,227	61,365	397	1,398	1,923	2,145
TOTAL T & D EXPENSE OPERATION		<u>7,985,500</u>	<u>7,289,306</u>	<u>46,997</u>	<u>165,966</u>	<u>228,352</u>	<u>254,880</u>

MISSOURI-AMERICAN WATER COMPANY
 ALL WATER DISTRICTS
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large User Rate J	Fire Protection	
						Rate F	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Super & Eng Maint TD	11	107,358	90,620	891	2,974	1,997	10,875
Super & Eng Maint TD - Other	11	982	829	8	27	18	99
Struct & Improve Maint TD - Labor	11	24,955	21,065	207	691	464	2,528
Struct & Improve Maint TD	11	2,219	1,873	18	61	41	225
Dist Res Stand Maint TD - Labor	5	1,617	1,229	72	111	46	160
TD Main Maint TD - Labor	6	534,907	473,179	5,082	16,743	8,772	31,132
TD Main Maint TD	6	5,727,405	5,066,462	54,410	179,268	93,929	333,335
Fire Main Maint TD - Labor	7	240	0	0	0	0	240
Services Maint TD - Labor	9	254,099	230,011	127	711	23,250	0
Services Maint TD	9	58,755	53,185	29	165	5,376	0
Meters Maint TD - Labor	8	252,071	246,500	202	2,622	2,748	0
Meters Maint TD	8	16,820	16,448	13	175	183	0
Hydrants Maint TD - Labor	7	307,340	0	0	0	0	307,340
Hydrants Maint TD	7	58,593	0	0	0	0	58,593
Misc Plant Maint TD - Labor	11	1,256,412	1,060,538	10,428	34,803	23,369	127,275
Mat and Sup Maint TD	11	3,180,662	2,684,797	26,399	88,104	59,160	322,201
Misc Maint TD	11	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		11,784,434	9,946,735	97,888	326,454	219,355	1,194,003
TOTAL T & D EXPENSE		19,769,934	17,236,040	144,885	492,420	447,707	1,448,883
CUSTOMER ACCOUNTS							
Supervision CA	12	65,406	63,771	13	59	1,563	0
Supervision CA - Other	12	101	98	0	0	2	0
Meter Reading Exp CA - Labor	13	1,872,104	1,870,045	374	1,685	0	0
Meter Reading Exp CA	13	16,460	16,442	3	15	0	0
Cust Rec & Collection CA - Labor	12	702,794	685,224	141	633	16,797	0
Cust Rec & Collection CA	12	2,562,582	2,498,518	513	2,306	61,246	0
Uncollectible Accts	12	3,423,934	3,338,336	685	3,082	81,832	0
Misc Cust Accts Exp CA - Labor	12	20,215	19,709	4	18	483	0
Misc Cust Accts Exp CA	12	53,773	52,428	11	48	1,285	0
Cust Serv & Info Exp CA	12	27	27	0	0	1	0
Cust Serv & Info Exp CA - Labor	12	338	329	0	0	8	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		8,717,734	8,544,927	1,744	7,846	163,217	0

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large User Rate J	Fire Protection	
						Rate F	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ADMINISTRATIVE AND GENERAL EXPENSES							
Salaries AG	14	7,519,140	6,679,252	126,322	288,735	122,562	302,269
Salaries AG - Other	14	1,299,471	1,154,320	21,831	49,900	21,181	52,239
Other Supplies & Exp AG	14	1,888,333	1,677,406	31,724	72,512	30,780	75,911
Mgmt Fees-Admin	14	22,787,514	20,242,149	382,830	875,041	371,436	916,058
Mgmt Fees-Customer Service	12	4,186,133	4,081,480	837	3,768	100,049	0
Mgmt Fees-Belleville Lab	2	131,416	113,385	5,993	11,630	66	342
Mgmt Fees- Employee	16	1,417,713	1,248,580	27,220	59,686	21,975	60,253
Outside Services AG	14	1,465,412	1,301,725	24,619	56,272	23,886	58,910
Outside Services AG	14	0	0	0	0	0	0
Ins Gen Liab Oper AG	14	3,236,746	2,875,201	54,377	124,291	52,759	130,117
Ins Work Comp AG	16	1,123,233	989,231	21,566	47,288	17,410	47,737
Ins Other Oper AG	14	461,829	410,242	7,759	17,734	7,528	18,566
Property Insurance	14	23,785	21,128	400	913	388	956
Injuries & Damages	16	51,420	45,286	987	2,165	797	2,185
Employee Pension & Benefits	16	8,875,014	7,816,225	170,400	373,638	137,563	377,188
Reg Commision Exp	19	760,665	654,096	15,974	36,664	10,573	43,358
Rents AG	14	297,280	264,074	4,994	11,416	4,846	11,951
Goodwill Advertising Exp	14	20,924	18,587	352	803	341	841
Misc Exp AG	14	1,752,348	1,556,611	29,439	67,290	28,563	70,444
Research & Development	14	82,715	73,476	1,390	3,176	1,348	3,325
TOTAL A & G OPERATIONS		57,381,089	51,222,453	929,014	2,102,922	954,050	2,172,650
General Plant Maint AG - Labor	14	9,329	8,287	157	358	152	375
General Plant Maint AG	14	674,750	599,381	11,336	25,910	10,998	27,125
TOTAL A & G EXPENSE - MAINTENANCE		684,080	607,668	11,493	26,269	11,150	27,500
TOTAL A & G EXPENSE		58,065,169	51,830,121	940,506	2,129,190	965,201	2,200,150
Total Operation & Maintenance Expenses		118,943,858	104,386,598	2,719,208	6,279,461	1,640,913	3,917,677

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor	Cost of	Res/Com/Ind/OPA	Sales for Resale	Large User	Fire Protection	
	Ref.	Service	Rate A	Rate B	Rate J	Rate F	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DEPRECIATION EXPENSE							
Struct & Imp SS	2	315,193	271,949	14,373	27,895	158	820
Struct & Imp P	3	729,241	602,134	31,722	61,621	7,438	26,326
Struct & Imp WT	2	2,591,498	2,235,944	118,172	229,348	1,296	6,738
Struct & Imp TD	6	123,917	109,617	1,177	3,879	2,032	7,212
Struct & Imp AG	14	198,740	176,541	3,339	7,632	3,239	7,989
Struct & Imp Offices	14	143,274	127,270	2,407	5,502	2,335	5,760
Gen Structures HVAC	14	28,841	25,619	485	1,107	470	1,159
Struct & Imp Leasehold	14	522	464	9	20	9	21
Struct & Imp Store,Shop,Gar	14	83,438	74,118	1,402	3,204	1,360	3,354
Struct & Imp Misc	14	164,156	145,820	2,758	6,304	2,676	6,599
Collect & Impounding	1	419	341	22	53	0	2
Lake, River & Other Intakes	2	284,773	245,702	12,986	25,202	142	740
Wells & Springs	2	209,002	180,327	9,530	18,497	105	543
Infiltration Galleries & Tunnels	2	32	28	1	3	0	0
Supply Mains	2	323,057	278,734	14,731	28,591	162	840
Power Generation Equip	3	93,856	77,497	4,083	7,931	957	3,388
Pump Equip Steam	3	202	167	9	17	2	7
Pump Equip Electric	3	1,170,670	966,622	50,924	98,922	11,941	42,261
Pump Equip Diesel	3	45,108	37,246	1,962	3,812	460	1,628
Pump Equip Hydraulic	3	7,589	6,266	330	641	77	274
Pump Equip Other	3	10,548	8,709	459	891	108	381
Pump Equip WT	2	38,458	33,182	1,754	3,404	19	100
Pump Equip TD	6	56	50	1	2	1	3
WT Equip Non-Media	2	2,936,556	2,533,661	133,907	259,885	1,468	7,635
WT Equip Filter Media	2	90,467	78,055	4,125	8,006	45	235
Dist Reservoirs & Standpipe	5	242,259	184,068	10,756	16,571	6,832	24,032
Elevated Tanks & Standpipes	5	154,248	117,198	6,849	10,551	4,350	15,301
Ground Level Facilities	5	170,197	129,316	7,557	11,641	4,800	16,884
Below Ground Facilities	5	782	594	35	53	22	78
Clearwells	5	2,741	2,083	122	187	77	272
TD Mains Not Classified by	6	1,453,613	1,285,866	13,809	45,498	23,839	84,600
TD Mains 4" & Less	4	243,099	219,032	0	3,987	4,424	15,656
TD Mains 6 to 8"	4	6,914,502	6,229,966	0	113,398	125,844	445,294
TD Mains 10 to 16"	3	5,383,999	4,445,568	234,204	454,948	54,917	194,362
TD Mains 18" & Grtr	3	458,834	378,859	19,959	38,771	4,680	16,564
Fire Mains	7	9,231	0	0	0	0	9,231
Services	9	1,145,083	1,036,529	573	3,206	104,775	0
Meters Bronze Case	8	499,891	488,843	400	5,199	5,449	0
Meters Plastic Case	8	42,887	41,939	34	446	467	0
Meters Other	8	1,853,663	1,812,697	1,483	19,278	20,205	0
Meters Other-Rem Rdr Unts	8	113,041	110,543	90	1,176	1,232	0
Meter Installations	8	473,818	463,347	379	4,928	5,165	0
Meter Installation Other	8	273,879	267,826	219	2,848	2,985	0
Meter Vaults	8	28,402	27,774	23	295	310	0

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large User Rate J (6)	Fire Protection	
						Rate F (7)	Public (8)
Hydrants	7	1,393,626	0	0	0	0	1,393,626
Other P/E Intangible	17	144	122	3	6	2	11
Other P/E SS	2	86	74	4	8	0	0
Other P/E WT Res Hand Equip	2	49,059	42,328	2,237	4,342	25	128
Other P/E TD	6	1,115	986	11	35	18	65
Other P/E CPS	14	56,112	49,844	943	2,155	915	2,256
Office Furniture & Equip	14	55,448	49,254	932	2,129	904	2,229
Comp & Periph Equip	14	2,081,852	1,849,309	34,975	79,943	33,934	83,690
Computer Software	14	712,330	632,763	11,967	27,353	11,611	28,636
Comp Software Mainframe	14	3,038,081	2,698,727	51,040	116,662	49,521	122,131
Comp Software Mainframe - CIS	12	1,553,940	1,515,091	311	1,399	37,139	0
Comp Software Customized	14	5,587	4,963	94	215	91	225
Comp Software Other	14	4,108	3,649	69	158	67	165
Data Handling Equipment	14	20,164	17,912	339	774	329	811
Other Office Equipment	14	21,005	18,659	353	807	342	844
Trans Equip Lt Duty Trks	14	350,320	311,189	5,885	13,452	5,710	14,083
Trans Equip Other	14	217,957	193,611	3,662	8,370	3,553	8,762
Stores Equipment	14	68,100	60,493	1,144	2,615	1,110	2,738
Tools,Shop,Garage Equip	14	335,560	298,078	5,637	12,886	5,470	13,490
Tools,Shop,Garage Equip Oth	14	94,576	84,012	1,589	3,632	1,542	3,802
Laboratory Equipment	2	115,196	99,391	5,253	10,195	58	300
Laboratory Equip Other	2	7,291	6,291	332	645	4	19
Power Operated Equipment	14	54,833	48,708	921	2,106	894	2,204
Comm Equip Non-Telephone	14	180,052	159,940	3,025	6,914	2,935	7,238
Remote Control & Instr	14	166,885	148,244	2,804	6,408	2,720	6,709
Comm Equip Telephone	14	6,914	6,142	116	265	113	278
Misc Equipment	14	237,445	210,922	3,989	9,118	3,870	9,545
Other Tangible Property	17	5,126	4,338	99	229	70	390
Total Depreciation Expense		39,886,694	33,973,153	844,892	1,848,167	569,819	2,650,663

MISSOURI-AMERICAN WATER COMPANY
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Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large User Rate J (6)	Fire Protection	
						Rate F (7)	Public (8)
Amort-Other UP	18	159,410	134,988	3,077	7,126	2,200	12,020
Amort-UPAA	2	211,021	182,069	9,623	18,675	106	549
Amort-Property Losses	2	158,730	136,952	7,238	14,048	79	413
Taxes Other Than Income							
Utility Reg Assessment Fee	19	2,389,133	2,054,415	50,172	115,156	33,209	136,181
Property Taxes	18	13,166,307	11,149,229	254,110	588,534	181,695	992,740
Payroll Taxes	16	2,172,511	1,913,330	41,712	91,463	33,674	92,332
Other Taxes & Licenses	14	104,240	92,596	1,751	4,003	1,699	4,190
Gross Receipts Tax	19		0	0	0	0	0
Total Taxes, Other Than Income		<u>17,832,191</u>	<u>15,209,571</u>	<u>347,745</u>	<u>799,156</u>	<u>250,277</u>	<u>1,225,442</u>
Income Taxes	18	37,876,834	32,074,103	731,023	1,693,094	522,700	2,855,913
Utility Income Available for Return	18	86,805,185	73,506,631	1,675,340	3,880,192	1,197,912	6,545,111
Total Cost of Service		<u>301,873,923</u>	<u>259,604,065</u>	<u>6,338,146</u>	<u>14,539,919</u>	<u>4,184,006</u>	<u>17,207,788</u>
Less: Other Water Revenues	19	3,895,282	3,349,553	81,801	187,753	54,144	222,031
Contract Sales	19	3,783,643	3,253,555	79,457	182,372	52,593	215,668
Total Other Water Revenues		<u>7,678,925</u>	<u>6,603,108</u>	<u>161,257</u>	<u>370,124</u>	<u>106,737</u>	<u>437,699</u>
Total Cost of Service Related to Sales of Water		<u>\$ 294,194,998</u>	<u>\$ 253,000,958</u>	<u>\$ 6,176,888</u>	<u>\$ 14,169,795</u>	<u>\$ 4,077,268</u>	<u>\$ 16,770,089</u>
Reallocation of Public Fire	20	0	16,594,003	0	176,086	0	(16,770,089)
Total		<u>\$ 294,194,998</u>	<u>\$ 269,594,961</u>	<u>\$ 6,176,888</u>	<u>\$ 14,345,881</u>	<u>\$ 4,077,268</u>	<u>\$ -</u>

**MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

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

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

Customer Classification (1)	Average Daily Consumption, 100 Gallons (2)	Allocation Factor (3)
Rate A - Res/Com/Ind/OPA	1,228,439	0.8150
Rate B - Sales for Resale	80,247	0.0532
Rate J - Large User	189,473	0.1257
Rate F - Private Fire	1,541	0.0010
Public Fire	7,724	0.0051
Total	1,507,424	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 (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.5000	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.5000	
Rate A - Res/Com/Ind/OPA	0.8150	0.4074	0.9110	0.4554	0.8628
Rate B - Sales for Resale	0.0532	0.0266	0.0379	0.0190	0.0456
Rate J - Large User	0.1257	0.0629	0.0511	0.0256	0.0885
Rate G	0.0000	0.0000	0.0000	0.0000	0.0000
Other	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F - Private Fire	0.0010	0.0005			0.0005
Public Fire	0.0051	0.0026			0.0026
Total	1.0000	0.5000	1.0000	0.5000	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
ALL DISTRICTS

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)
Rate A - Res/Com/Ind/OPA	1,228,439	1.1	1,351,283	0.9110
Rate B - Sales for Resale	80,247	0.7	56,173	0.0379
Rate J - Large User	189,473	0.4	75,789	0.0511
	<u>1,498,159</u>		<u>1,483,245</u>	<u>1.0000</u>

The weighting of the factors is based on the maximum day ratio of 2.00, based on a review of maximum day ratios experienced during the period 1999 through 2014 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5000
Maximum Day Extra Capacity	<u>1.00</u>	<u>0.5000</u>
Total	<u>2.00</u>	<u>1.0000</u>

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.4783	(4)	(5)=(4) X 0.4783	(6)	(7)=(6) X 0.0434	(8)=(3)+(5)+(7)
Rate A - Res/Com/Ind/OPA	0.8150	0.3899	0.9110	0.4358			0.8257
Rate B - Sales for Resale	0.0532	0.0254	0.0379	0.0181			0.0435
Rate J - Large User	0.1257	0.0601	0.0511	0.0244			0.0845
Rate F - Private Fire	0.0010	0.0005			0.2224	0.0097	0.0102
Public Fire	0.0051	0.0024			0.7776	0.0337	0.0361
Total	<u>1.0000</u>	<u>0.4783</u>	<u>1.0000</u>	<u>0.4783</u>	<u>1.0000</u>	<u>0.0434</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.90 and the average daily system sendout for 2014 of 198.7 MGD. The system demand for fire protection is 30,000 Gallons per minute for 10 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	198,669,681	0.4783
Maximum Day Extra Capacity	<u>1.00</u>	<u>198,669,681</u>	<u>0.4783</u>
Subtotal	<u><u>2.00</u></u>	397,339,362	0.9566
Fire Protection		<u>18,000,000</u>	<u>0.0434</u>
Total		<u><u>415,339,362</u></u>	<u><u>1.0000</u></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
ALL DISTRICTS

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3680	(5)	(6)=(5) X 0.5520	(7)	(8)=(7) X 0.0800	(9)=(4)+(6)+(8)
Rate A - Res/Com/Ind/OPA	51,185.0	0.9633	0.3546	0.9899	0.5464			0.9010
Rate B - Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate J - Large User	1,561.9	0.0294	0.0108	0.0101	0.0056			0.0164
Rate F - Private Fire	64.2	0.0012	0.0004			0.2224	0.0178	0.0182
Public Fire	321.8	0.0061	0.0022			0.7776	0.0622	0.0644
Total	53,132.9	1.0000	0.3680	1.0000	0.5520	1.0000	0.0800	1.0000

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

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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 2014 of 198.7 MGD. The system demand for fire protection is 30,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	137,965	0.3680
Maximum Hour Extra Capacity	<u>1.50</u>	<u>206,948</u>	<u>0.5520</u>
Subtotal	<u><u>2.50</u></u>	344,913	0.9200
Fire Protection		<u>30,000</u>	<u>0.0800</u>
Total		<u><u>374,913</u></u>	<u><u>1.0000</u></u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Rate A	51,185.0	3.0	153,555.0	0.9899
Rate J	<u>1,561.9</u>	1.0	<u>1,561.9</u>	<u>0.0101</u>
Total	<u><u>52,746.9</u></u>		<u><u>155,116.9</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3499	(5)	(6)=(5) X 0.5248	(7)	(8)=(7) X 0.1253	(9)=(4)+(6)+(8)
Rate A - Res/Com/Ind/OPA	51,185.0	0.8150	0.2852	0.9043	0.4746			0.7598
Rate B - Sales for Resale	3,343.6	0.0532	0.0186	0.0492	0.0258			0.0444
Rate J - Large User	7,894.7	0.1257	0.0440	0.0465	0.0244			0.0684
Rate F - Private Fire	64.2	0.0010	0.0003			0.2224	0.0279	0.0282
Public Fire	321.8	0.0051	0.0018			0.7776	0.0974	0.0992
Total	62,809.3	1.0000	0.3499	1.0000	0.5248	1.0000	0.1253	1.0000

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

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

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

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

$$\begin{aligned} \text{Fire Protection Weight} &= \frac{30,000 \text{ GPM} \times 60 \text{ Min.} \times 10 \text{ Hrs.}}{143,617,103 \text{ Gallons}} = 0.1253 \\ \text{General Service Weight} &= 1.0000 - 0.1253 = 0.8747 \end{aligned}$$

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	0.3499
Extra Capacity Maximum Hour	1.50	60.00	0.5248
Total	2.50	100.00	0.8747

Customer Classification (1)	Average Hourly Consumption Thousand Gal. (2)	Maximum Hour Extra Capacity		Allocation Factor (5)
		Factor* (3)	1,000 Gallons Per Hour (4)=(2)x(3)	
Rate A - Res/Com/Ind/OPA	51,185.0	3.0	153,555.0	0.9043
Rate B - Sales for Resale	3,343.6	2.5	8,359.0	0.0492
Rate J - Large User	7,894.7	1.0	7,894.7	0.0465
	62,423.3		169,808.7	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor (3)=(2)X	Allocation Factor 4	Weighted Factor (5)=(4)X	
(1)	(2)		(4)	(5)	(6)=(3)+(5)
		0.2185		0.7815	
Rate A - Res/Com/Ind/OPA	0.8257	0.1804	0.9010	0.7042	0.8846
Rate B - Sales for Resale	0.0435	0.0095	0.0000	0.0000	0.0095
Rate J - Large User	0.0845	0.0185	0.0164	0.0128	0.0313
Rate F - Private Fire	0.0102	0.0022	0.0182	0.0142	0.0164
Public Fire	0.0361	0.0079	0.0644	0.0503	0.0582
Total	1.0000	0.2185	1.0000	0.7815	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	7,690,745	0.2185
Distribution Mains	27,499,573	0.7815
Total	35,190,318	1.0000

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Rate E.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	561,586	0.9779
Rate B - Sales for Resale	452	0.0008
Rate J - Large User	5,964	0.0104
Rate F - Private Fire	6,253	0.0109
Public Fire	0	<u>0.0000</u>
Total	<u><u>574,255</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Rate A		Rate B		Rate J		Rate F		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Meters	Weighting (14)=(2)X(11)	Number of Meters	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(13)	(14)=(2)X(11)	(15)	(16)
5/8	1.0	410,943	410,943	1	1	3	3	150	150	411,097	411,097
3/4	2.1	28,541	59,936	0	0	0	0	2,844	5,972	31,385	65,908
1	2.0	15,094	30,188	2	4	16	32	29	58	15,141	30,282
1-1/2	3.5	1,900	6,650	0	0	0	0	-	0	1,900	6,650
2	4.3	5,772	24,820	22	95	30	129	17	73	5,841	25,117
3	7.0	373	2,611	7	49	18	126	-	0	398	2,786
4	10.5	312	3,276	7	74	41	431	-	0	360	3,781
6	16.8	232	3,898	6	101	34	571	-	0	272	4,570
8	64.0	241	15,424	2	128	40	2,560	-	0	283	18,112
10	64.0	60	3,840	0	0	33	2,112	-	0	93	5,952
12	64.0	0	0	0	0	0	0	-	0	0	0
Total		<u>463,468</u>	<u>561,586</u>	<u>47</u>	<u>452</u>	<u>215</u>	<u>5,964</u>	<u>3,040</u>	<u>6,253</u>	<u>466,770</u>	<u>574,255</u>

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Schedule C

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	532,877	0.9052
Rate B - Sales for Resale	293	0.0005
Rate J - Large User	1,639	0.0028
Rate F - Private Fire	<u>53,846</u>	<u>0.0915</u>
Total	<u><u>588,655</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Rate A		Rate B		Rate J		Rate F		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	439,484	439,484	1	1	3	3	0	0	439,488	439,488
1	2.94	15,094	44,376	2	6	16	47	0	0	15,112	44,429
1-1/2	4.02	1,900	7,638	0	0	0	0	0	0	1,900	7,638
2	5.55	5,772	32,035	22	122	30	167	167	927	5,991	33,251
3	5.55	373	2,070	7	39	18	100	3	17	401	2,226
4	6.37	312	1,987	7	45	41	261	828	5,274	1,188	7,567
6	9.92	232	2,301	6	60	34	337	2,877	28,540	3,149	31,238
8	9.92	241	2,391	2	20	40	397	1,715	17,013	1,998	19,821
10	9.92	60	595	0	0	33	327	94	932	187	1,854
12 and above	12.16	0	0	0	0	0	0	94	1,143	94	1,143
Total		<u>463,468</u>	<u>532,877</u>	<u>47</u>	<u>293</u>	<u>215</u>	<u>1,639</u>	<u>5,778</u>	<u>53,846</u>	<u>469,508</u>	<u>588,655</u>

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Schedule C

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 10. 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:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Operating Expenses</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	\$ 3,638,357	0.9128
Rate B - Sales for Resale	23,398	0.0059
Rate J - Large User	82,771	0.0208
Rate F - Private Fire	113,960	0.0286
Public Fire	<u>127,289</u>	<u>0.0319</u>
Total	<u><u>3,985,775</u></u>	<u><u>1.0000</u></u>

FACTOR 11. 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:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	\$ 6,087,013	0.8441
Rate B - Sales for Resale	59,935	0.0083
Rate J - Large User	199,793	0.0277
Rate F - Private Fire	134,305	0.0186
Public Fire	<u>730,800</u>	<u>0.1013</u>
Total	<u><u>\$7,211,846</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 12. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of bills.

<u>Customer Classification</u> (1)	<u>Total Customers</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	2,834,515	0.9750
Rate B - Sales for Resale	564	0.0002
Rate J - Large User	2,580	0.0009
Rate F - Private Fire	69,336	0.0239
Public Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>2,906,995</u></u>	<u><u>1.0000</u></u>

FACTOR 13. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered bills.

<u>Customer Classification</u> (1)	<u>Total Metered Customers</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	2,834,515	0.9989
Rate B - Sales for Resale	564	0.0002
Rate J - Large User	<u>2,580</u>	<u>0.0009</u>
	<u><u>2,837,659</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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)
Rate A - Res/Com/Ind/OPA	\$35,626,897	0.8883
Rate B - Sales for Resale	673,606	0.0168
Rate J - Large User	1,539,169	0.0384
Rate F - Private Fire	654,940	0.0163
Public Fire	<u>1,611,587</u>	<u>0.0402</u>
Total	<u>\$40,106,198</u>	<u>1.0000</u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

Factors are based on the allocation operation and maintenance expenses including purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$103,732,502	0.8777
Rate B - Sales for Resale	2,703,235	0.0229
Rate J - Large User	6,242,797	0.0528
Rate F - Private Fire	1,630,340	0.0138
Public Fire	<u>3,874,319</u>	<u>0.0328</u>
Total	<u>\$118,183,193</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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 <u>(1)</u>	Direct Labor Expense <u>(2)</u>	Allocation Factor <u>(3)</u>
Rate A - Res/Com/Ind/OPA	\$22,964,227	0.8807
Rate B - Sales for Resale	500,675	0.0192
Rate J - Large User	1,098,599	0.0421
Rate F - Private Fire	404,617	0.0155
Public Fire	<u>1,107,365</u>	<u>0.0425</u>
Total	<u><u>\$26,075,483</u></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 <u>(1)</u>	Original Cost Less Depreciation <u>(2)</u>	Allocation Factor <u>(3)</u>
Rate A - Res/Com/Ind/OPA	\$1,106,650,004	0.8463
Rate B - Sales for Resale	25,191,748	0.0193
Rate J - Large User	58,325,513	0.0446
Rate F - Private Fire	17,978,199	0.0137
Public Fire	<u>99,467,694</u>	<u>0.0761</u>
Total	<u><u>\$1,307,613,158</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$895,326,719	0.8468
Rate B - Sales for Resale	20,413,906	0.0193
Rate J - Large User	47,229,697	0.0447
Rate F - Private Fire	14,590,484	0.0138
Public Fire	<u>79,749,577</u>	<u>0.0754</u>
Total	<u><u>\$1,057,310,383</u></u>	<u><u>1.0000</u></u>

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

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

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$256,895,554	0.8599
Rate B - Sales for Resale	6,272,000	0.0210
Rate J - Large User	14,388,099	0.0482
Rate F - Private Fire	4,140,223	0.0139
Public Fire	<u>17,028,249</u>	<u>0.0570</u>
Total	<u><u>\$298,724,125</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL WATER DISTRICTS
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor	Cost of	Res/Com/Ind/OPA	Sales for Resale	Large User	Fire Protection	
	Ref.	Service	Rate A	Rate B	Rate J	Rate F	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Rate Base							
Organization	17	\$ 258,861	\$ 219,074	\$ 4,996	\$ 11,545	\$ 3,546	\$ 19,699
Franchises	17	43,698	36,982	843	1,949	599	3,325
Land & Ld Rights SS	2	1,739,118	1,500,511	79,304	153,912	870	4,522
Land & Ld Rights P	3	366,787	302,856	15,955	30,994	3,741	13,241
Land & Ld Rights WT	2	2,317,367	1,999,424	105,672	205,087	1,159	6,025
Land & Ld Rights TD	6	4,804,276	4,249,863	45,641	150,374	78,790	279,609
Land & Land Rights AG	14	389,178	345,707	6,538	14,944	6,344	15,645
Struct & Imp SS	2	10,173,455	8,777,657	463,910	900,351	5,087	26,451
Struct & Imp P	3	12,388,307	10,229,025	538,891	1,046,812	126,361	447,218
Struct & Imp WT	2	61,942,274	53,443,794	2,824,568	5,481,891	30,971	161,050
Struct & Imp TD	6	3,171,059	2,805,119	30,125	99,254	52,005	184,556
Struct & Imp AG	14	9,493,188	8,432,799	159,486	364,538	154,739	381,626
Struct & Imp Offices	14	3,559,476	3,161,883	59,799	136,684	58,019	143,091
Gen Structures HVAC	14	1,382,053	1,227,678	23,218	53,071	22,527	55,559
Struct & Imp Leasehold	14	(156,353)	(138,888)	(2,627)	(6,004)	(2,549)	(6,285)
Struct & Imp Store,Shop,Gar	14	2,091,745	1,858,097	35,141	80,323	34,095	84,088
Struct & Imp Misc	14	2,685,355	2,385,401	45,114	103,118	43,771	107,951
Collect & Impounding	1	22,175	18,073	1,180	2,787	22	113
Lake, River & Other Intakes	2	7,750,515	6,687,144	353,423	685,921	3,875	20,151
Wells & Springs	2	5,717,049	4,932,670	260,697	505,959	2,859	14,864
Infiltration Galleries & Tunnels	2	1,804	1,556	82	160	1	5
Supply Mains	2	14,662,844	12,651,102	668,626	1,297,662	7,331	38,123
Power Generation Equip	2	2,630,598	2,269,680	119,955	232,808	1,315	6,840
Boiler Plant Equipment P	3	298	246	13	25	3	11
Pump Equip Steam	3	13,869	11,452	603	1,172	141	501
Pump Equip Electric	3	40,089,921	33,102,248	1,743,912	3,387,598	408,917	1,447,246
Pump Equip Diesel	3	643,173	531,068	27,978	54,348	6,560	23,219
Pump Equip Hydraulic	3	462,796	382,131	20,132	39,106	4,721	16,707
Pump Equip Other	3	271,605	224,264	11,815	22,951	2,770	9,805
Pump Equip WT	2	2,024,118	1,746,409	92,300	179,134	1,012	5,263
Pump Equip TD	6	2,964	2,622	28	93	49	173
WT Equip Non-Media	2	88,673,123	76,507,171	4,043,494	7,847,571	44,337	230,550
WT Equip Filter Media	2	4,767,240	4,113,175	217,386	421,901	2,384	12,395
Dist Reservoirs & Standpipe	5	7,494,329	5,694,191	332,748	512,612	211,340	743,437
Elevated Tanks & Standpipes	5	4,771,677	3,625,520	211,862	326,383	134,561	473,350
Ground Level Facilities	5	5,265,123	4,000,441	233,771	360,134	148,476	522,300
Below Ground Facilities	5	24,178	18,370	1,073	1,654	682	2,398
Clearwells	5	84,787	64,421	3,765	5,799	2,391	8,411
TD Mains Not Classified by	6	66,590,655	58,906,093	632,611	2,084,287	1,092,087	3,875,576
TD Mains 4" & Less	4	11,366,058	10,240,818	0	186,403	206,862	731,974
TD Mains 6 to 8"	4	440,766,537	397,130,650	0	7,228,571	8,021,951	28,385,365
TD Mains 10 to 16"	3	226,268,652	186,830,026	9,842,686	19,119,701	2,307,940	8,168,298
TD Mains 18" & Grtr	3	19,283,039	15,922,005	838,812	1,629,417	196,687	696,118
Fire Mains	7	446,699	0	0	0	0	446,699

MISSOURI-AMERICAN WATER COMPANY

ALL WATER DISTRICTS

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large User Rate J	Fire Protection	
						Rate F	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Services	9	25,320,226	22,919,868	12,660	70,897	2,316,801	0
Meters Bronze Case	8	17,423,169	17,038,117	13,939	181,201	189,913	0
Meters Plastic Case	8	1,690,291	1,652,935	1,352	17,579	18,424	0
Meters Other	8	58,557,491	57,263,371	46,846	608,998	638,277	0
Meters Other-Rem Rdr Unts	8	2,620,303	2,562,395	2,096	27,251	28,561	0
Meter Installations	8	10,983,128	10,740,401	8,787	114,225	119,716	0
Meter Installation Other	8	6,348,513	6,208,211	5,079	66,025	69,199	0
Meter Vaults	8	658,367	643,817	527	6,847	7,176	0
Hydrants	7	49,491,563	0	0	0	0	49,491,563
Other P/E Intangible	17	3,421	2,895	66	153	47	260
Other P/E SS	2	1,170	1,009	53	104	1	3
Other P/E WT Res Hand Equip	2	1,473,221	1,271,095	67,179	130,380	737	3,830
Other P/E TD	6	37,653	33,308	358	1,179	618	2,191
Other P/E CPS	14	1,207,276	1,072,423	20,282	46,359	19,679	48,532
Office Furniture & Equip	14	236,177	209,796	3,968	9,069	3,850	9,494
Comp & Periph Equip	14	8,334,207	7,403,276	140,015	320,034	135,848	335,035
Computer Software	14	4,088,008	3,631,377	68,679	156,979	66,635	164,338
Comp Software Mainframe	14	22,708,648	20,172,092	381,505	872,012	370,151	912,888
Comp Software Mainframe - CIS	12	11,615,185	11,324,806	2,323	10,454	277,603	0
Comp Software Customized	14	41,758	37,093	702	1,603	681	1,679
Comp Software Other	14	30,711	27,280	516	1,179	501	1,235
Data Handling Equipment	14	121,641	108,054	2,044	4,671	1,983	4,890
Other Office Equipment	14	100,155	88,968	1,683	3,846	1,633	4,026
Trans Equip Lt Duty Trks	14	5,436,678	4,829,401	91,336	208,768	88,618	218,554
Trans Equip Hvy Duty Trks	14	16,295	14,475	274	626	266	655
Trans Equip Autos	14	(895,293)	(795,288)	(15,041)	(34,379)	(14,593)	(35,991)
Trans Equip Other	14	2,809,862	2,496,000	47,206	107,899	45,801	112,956
Stores Equipment	14	867,151	770,290	14,568	33,299	14,135	34,859
Tools,Shop,Garage Equip	14	2,072,973	1,841,422	34,826	79,602	33,789	83,334
Tools,Shop,Garage Equip Oth	14	1,891,512	1,680,230	31,777	72,634	30,832	76,039
Laboratory Equipment	2	505,398	436,058	23,046	44,728	253	1,314
Laboratory Equip Other	2	109,312	94,314	4,985	9,674	55	284
Power Operated Equipment	14	(36,913)	(32,790)	(620)	(1,417)	(602)	(1,484)
Comm Equip Non-Telephone	14	666,007	591,614	11,189	25,575	10,856	26,773
Remote Control & Instr	14	2,501,989	2,222,517	42,033	96,076	40,782	100,580
Comm Equip Telephone	14	(10,629)	(9,442)	(179)	(408)	(173)	(427)
Misc Equipment	14	2,146,840	1,907,038	36,067	82,439	34,993	86,303
Other Tangible Property	17	330,564	279,756	6,380	14,743	4,529	25,156
Total Utility Plant in Service		1,308,249,701	1,107,188,711	25,204,033	58,353,902	17,986,920	99,516,135

MISSOURI-AMERICAN WATER COMPANY
 ALL WATER DISTRICTS
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014 ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large User Rate J (6)	Fire Protection	
						Rate F (7)	Public (8)
Other Rate Base Items							
Add:							
Other Utility Plant Adjustments	17		0	0	0	0	0
Cash Working Capital	15	9,708,700	8,521,326	222,329	512,619	133,980	318,445
Materials and Supplies	14	5,062,777	4,497,265	85,055	194,411	82,523	203,524
Prepayments	14	1,937,185	1,720,801	32,545	74,388	31,576	77,875
Pension / OPEB Tracker	16	14,004,177	12,333,479	268,880	589,576	217,065	595,178
Tank Painting Tracker	5	1,420,051	1,078,955	63,050	97,131	40,045	140,869
Less: Accumulated Amortization	17		0	0	0	0	0
Accumulated Deferred ITC (3%)	17	(8,831)	(7,474)	(170)	(394)	(121)	(672)
Deferred Income Taxes	17	(269,987,566)	(228,490,477)	(5,210,760)	(12,041,445)	(3,698,830)	(20,546,054)
Pensions	16	(13,075,811)	(11,515,867)	(251,056)	(550,492)	(202,675)	(555,722)
Total Other Rate Base Elements		<u>(250,939,318)</u>	<u>(211,861,992)</u>	<u>(4,790,127)</u>	<u>(11,124,206)</u>	<u>(3,396,436)</u>	<u>(19,766,557)</u>
Total Original Cost Measure of Value		<u>\$ 1,057,310,383</u>	<u>\$ 895,326,719</u>	<u>\$ 20,413,906</u>	<u>\$ 47,229,697</u>	<u>\$ 14,590,484</u>	<u>\$ 79,749,577</u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	561,586	0.9895
Rate B - Sales for Resale	0	0.0000
Rate J - Large User	5,964	0.0105
Rate F - Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>567,550</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1999-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use	
		MGD	Ratio to Average
(1)	(2)	(3)	(4)
1999	213.572	395.838	1.85
2000	204.770	333.278	1.63
2001	208.905	346.848	1.66
2002	213.175	389.341	1.83
2003	205.553	383.625	1.87
2004	209.006	324.891	1.55
2005	224.851	393.318	1.75
2006	222.755	384.467	1.73
2007	230.937	416.607	1.80
2008	196.586	330.180	1.68
2009	188.216	324.997	1.73
2010	195.540	320.392	1.64
2011	202.866	355.558	1.75
2012	215.858	433.486	2.01
2013	197.668	342.118	1.73
2014	192.741	311.685	1.62

MISSOURI-AMERICAN WATER COMPANY
ALL DISTRICTS

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	167	668	
3 -inch	9.00	3	27	
4 -inch	16.00	828	13,248	
6 -inch	36.00	2,877	103,572	
8 -inch	64.00	1,715	109,760	
10 -inch	100.00	94	9,400	
12 -inch	144.00	94	13,536	
Private Hydrants	20.25	211	4,273	
Total Rate F		5,989	254,484	0.2224
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
5 1/4 Valve	1- 2-1/2" & 1- 4 1/2"	26.50	5,855	155,158
4 1/2" Valve	2- 2-1/2" & 1- 4 1/2"	20.25	32,356	655,209
4 3/4" Valve	2- 2-1/2" & 1- 4 1/2"	22.56	158	3,565
5" Valve	1- 2-1/2" & 1- 4 1/2"	25.00	6	150
4 1/2" Valve	1- 2 1/2"	6.25	1,033	6,456
4 1/4" Valve	2- 2-1/2" & 1- 4.5"	18.06	1,415	25,558
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	265	8,679
6" Valve	2- 2-1/2"	12.50	2,799	34,988
Total Rate E		43,887	889,762	0.7776
Total Fire Protection		49,876	1,144,246	1.0000

MISSOURI AMERICAN WATER COMPANY

CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

<u>Cost Function</u>	<u>Cost of Service</u>	<u>Number of Units</u>	<u>Unit Cost Per Month</u>	<u>Unit Cost Per Quarter</u>
Meters	\$ 20,803,873	568,002 5/8 Equivalents	\$ 3.05	\$ 9.15
Services	8,480,642	534,809 3/4 Equivalents	1.32	3.96
Billing/Collecting	<u>29,613,896</u>	2,797,709 Bills	<u>10.59</u>	<u>10.59</u>
Subtotal	58,898,411		14.96	23.70
Unrecovered Public Fire	<u>16,770,089</u>	568,002 5/8 Equivalents	<u>2.46</u>	<u>7.38</u>
Total	<u>\$ 75,668,499</u>		<u>\$ 17.42</u>	<u>\$ 31.08</u>

PART III. COST OF SERVICE BY CUSTOMER
DISTRICT SPECIFIC CLASSIFICATION

BRUNSWICK DISTRICT

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, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 309,295	50.4%	\$ 194,954	50.9%	\$ 158,052	46.5%	\$ (36,902)	-18.9%
Commercial	124,318	20.2%	80,651	21.0%	73,176	21.5%	(7,475)	-9.3%
Public Authority	12,532	br 2.0%	9,773	2.5%	7,845	2.3%	(1,928)	-19.7%
Total Rate A	446,145	72.6%	285,378	74.4%	239,073	70.3%	(46,305)	-16.2%
Sales for Resale	164,857	26.8%	91,578	23.9%	98,865	29.0%	7,287	8.0%
Private Fire Service	3,954	0.6%	6,557	1.7%	2,499	0.7%	(4,058)	-61.9%
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	614,956	<u>100.0%</u>	383,513	<u>100.0%</u>	340,437	<u>100.0%</u>	(89,381)	-23.3%
Other Revenues	4,820		4,820		4,820		-	0.0%
Total	<u>\$ 619,776</u>		<u>\$ 388,333</u>		<u>\$ 345,257</u>		<u>\$ (43,076)</u>	-11.1%

BRU-1

Schedule A-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Public Authorities	Rate B Sales for Resale	Fire Protection	
			Residential	Commercial	Industrial				Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
OPERATION AND MAINTENANCE EXPENSES										
SOURCE OF SUPPLY EXPENSES										
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Labor & Exp Oper SS	2	582	200	98	0	9	274	0	2	
Purchased Water	1	0	0	0	0	0	0	0	0	
TOTAL SS EXPENSE - OPERATION		582	200	98	0	9	274	0	2	
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	
Misc Exp Oper SS	2	7,650	2,625	1,288	0	115	3,597	1	24	
TOTAL SS EXPENSE - MAINTENANCE		7,650	2,625	1,288	0	115	3,597	1	24	
TOTAL SS EXPENSE		8,232	2,824	1,386	0	123	3,871	1	26	
POWER AND PUMPING EXPENSES										
Super & Eng Oper P	3	0	0	0	0	0	0	0	0	
Labor & Exp Oper Pwr Prod	3	0	0	0	0	0	0	0	0	
Labor & Exp Oper Pwr Prod	3	0	0	0	0	0	0	0	0	
Purch Fuel/Power for Pump	1	13,789	3,746	2,282	0	225	7,450	3	83	
Labor & Exp Oper Pump - Labor	3	30,436	9,499	4,660	0	414	13,011	100	2,751	
Labor & Exp Oper Pump	3	0	0	0	0	0	0	0	0	
Misc Exp Oper P	3	89	28	14	0	1	38	0	8	
Rents Oper P	3	0	0	0	0	0	0	0	0	
TOTAL PUMPING EXPENSE - OPERATION		44,314	13,273	6,955	0	640	20,499	103	2,842	
Super & Eng Maint P	3	0	0	0	0	0	0	0	0	
Struct & Improve Maint P - Labor	3	0	0	0	0	0	0	0	0	
Power Prod Equip Maint P - Labor	3	0	0	0	0	0	0	0	0	
Pump Equip Maint P - Labor	3	67	21	10	0	1	28	0	6	
Pump Equip Maint P	3	1,271	397	195	0	17	543	4	115	
TOTAL PUMPING EXPENSES - MAINTENANCE		1,338	417	205	0	18	572	4	121	

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Schedule B-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B Sales for Resale (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
TOTAL PUMPING EXPENSES		45,651	13,691	7,160	0	658	21,071	108	2,963
WATER TREATMENT									
Super & Eng Oper WT	2	17,609	6,042	2,965	0	264	8,280	2	56
Chemicals	1	14,367	3,904	2,378	0	234	7,762	3	86
Labor & Exp Oper WT - Labor	2	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	6,838	2,346	1,152	0	103	3,215	1	22
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Misc Exp Oper WT - Sludge Disposal	1	0	0	0	0	0	0	0	0
Misc Exp Oper WT	2	4,590	1,575	773	0	69	2,158	0	15
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		<u>43,404</u>	<u>13,866</u>	<u>7,268</u>	<u>0</u>	<u>670</u>	<u>21,416</u>	<u>6</u>	<u>179</u>
Super & Eng Maint WT	2	17,447	5,986	2,938	0	262	8,203	2	56
Struct & Improve Maint WT -Labor	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	3,558	1,221	599	0	53	1,673	0	11
TOTAL WT EXPENSE - MAINTENANCE		<u>21,005</u>	<u>7,207</u>	<u>3,537</u>	<u>0</u>	<u>315</u>	<u>9,876</u>	<u>2</u>	<u>67</u>
TOTAL WT EXPENSE		64,409	21,073	10,805	0	985	31,292	8	246
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	10	0	0	0	0	0	0	0	0
Storage Facility Exp - Labor	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
TD Lines Exp - Labor	6	0	0	0	0	0	0	0	0
TD Lines Exp	6	749	245	129	0	13	41	11	310
Meter Expense - Labor	8	0	0	0	0	0	0	0	0
Meter Expense	8	0	0	0	0	0	0	0	0

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Schedule B-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Public Authorities	Rate B Sales for Resale	Fire Protection	
			Residential	Commercial	Industrial				Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Customer Install Exp - Labor	9	0	0	0	0	0	0	0	0	
Customer Install Exp	9	0	0	0	0	0	0	0	0	
Misc Exp Oper TD - Labor	10	21,546	7,039	3,717	0	364	1,194	321	8,911	
Misc Exp Oper TD	10	0	0	0	0	0	0	0	0	
Misc Exp Oper TD	10	885	289	153	0	15	49	13	366	
Rents Oper TD	10	15	5	3	0	0	1	0	6	
TOTAL T & D EXPENSE OPERATION		23,195	7,578	4,001	0	392	1,285	346	9,593	
Super & Eng Maint TD	11	15,460	5,051	2,667	0	261	856	230	6,394	
TD Main Maint TD	6	6,453	2,108	1,113	0	109	357	96	2,669	
Fire Main Maint TD - Labor	7	0	0	0	0	0	0	0	0	
Hydrants Maint TD - Labor	7	(1)	0	0	0	0	0	0	(1)	
Hydrants Maint TD	7	0	0	0	0	0	0	0	0	
Labor Maint TD - Labor	11	(127)	(42)	(22)	0	(2)	(7)	(2)	(53)	
Mat and Sup Maint TD	11	0	0	0	0	0	0	0	0	
Misc Maint TD	11	1,771	579	305	0	30	98	26	732	
Amort Def Maint TD	5	0	0	0	0	0	0	0	0	
TOTAL T & D EXPENSE - MAINTENANCE		23,556	7,696	4,064	0	398	1,305	351	9,742	
TOTAL T & D EXPENSE		46,751	15,274	8,065	0	790	2,590	697	19,335	
CUSTOMER ACCOUNTS										
Supervision CA	12	0	0	0	0	0	0	0	0	
Meter Reading Exp CA	13	0	0	0	0	0	0	0	0	
Meter Reading Exp CA	13	0	0	0	0	0	0	0	0	
Meter Reading Exp CA	13	0	0	0	0	0	0	0	0	
Cust Rec & Collection CA - Labor	12	0	0	0	0	0	0	0	0	
Cust Rec & Collection CA	12	239	192	38	0	5	2	1	0	
Uncollectible Accts	12	9,559	7,693	1,539	0	186	94	47	0	
Misc Cust Accts Exp CA -Labor	12	0	0	0	0	0	0	0	0	

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Schedule B-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Public Authorities	Rate B Sales for Resale	Fire Protection	
			Residential	Commercial	Industrial				Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Misc Cust Accts Exp CA	12	4,228	3,403	681	0	82	41	21	0	
Misc Cust Accts Exp CA	12	0	0	0	0	0	0	0	0	
Cust Serv & Info Exp CA	12	84	68	14	0	2	1	0	0	
TOTAL CUSTOMER ACCOUNTING EXPENSE		14,110	11,356	2,272	0	275	138	69	0	
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	14	40,920	15,328	6,784	0	642	11,854	237	6,072	
Other Supplies & Exp AG	14	3,729	1,397	618	0	59	1,080	22	553	
Mgmt Fees-Admin	14	2,332	874	387	0	37	676	14	346	
Mgmt Fees-Customer Service	12	428	345	69	0	8	4	2	0	
Mgmt Fees-Belleville Lab	2	13	5	2	0	0	6	0	0	
Mgmt Fees- Employee	16	145	50	24	0	2	44	1	24	
Outside Services AG	14	150	56	25	0	2	43	1	22	
Outside Services AG	14	0	0	0	0	0	0	0	0	
Ins Gen Liab Oper AG	14	346	130	57	0	5	100	2	51	
Ins Work Comp AG	16	3,422	1,169	566	0	53	1,036	21	577	
Ins Other Oper AG	14	(1)	(0)	(0)	0	(0)	(0)	(0)	(0)	
Ins Vehicle	14	15	6	2	0	0	4	0	2	
Injuries & Damages	16	(1)	(0)	(0)	0	(0)	(0)	(0)	(0)	
Employee Pension & Benefits	16	40,231	13,739	6,658	0	620	12,178	249	6,787	
Reg Commision Exp	19	35	14	6	0	1	9	0	5	
Rents AG	14	13	5	2	0	0	4	0	2	
Goodwill Advertising Exp	14	0	0	0	0	0	0	0	0	
Misc Exp AG	14	6,792	2,544	1,126	0	107	1,968	39	1,008	
Research & Development	14	12	4	2	0	0	3	0	2	
TOTAL A & G OPERATIONS		98,582	35,663	16,330	0	1,536	29,010	589	15,453	
Maint Exp ARO/Net Neg Sal AG	18	0	0	0	0	0	0	0	0	
General Plant Maint AG	14	63	24	10	0	1	18	0	9	
TOTAL A & G EXPENSE - MAINTENANCE		63	24	10	0	1	18	0	9	
TOTAL A & G EXPENSE		98,645	35,687	16,340	0	1,537	29,028	589	15,462	
Total Operation & Maintenance Expenses		277,798	99,905	46,028	0	4,369	87,991	1,472	38,034	

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Schedule B-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B Sales for Resale	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities		Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
DEPRECIATION EXPENSE									
Organization	17		0	0	0	0	0	0	0
Franchises	17		0	0	0	0	0	0	0
Struct & Imp SS	2	471	162	79	0	7	221	0	2
Struct & Imp P	3	2,174	679	333	0	30	929	7	197
Struct & Imp WT	2	6,904	2,369	1,163	0	104	3,246	1	22
Struct & Imp TD	6	392	128	68	0	7	22	6	162
Struct & Imp AG	14	494	185	82	0	8	143	3	73
Struct & Imp Offices	14	1,863	698	309	0	29	540	11	276
Struct & Imp Store,Shop,Gar	14	15	6	2	0	0	4	0	2
Struct & Imp Misc	14	413	155	68	0	6	120	2	61
Infiltration Galleries & Tunnels	2	32	11	5	0	0	15	0	0
Wells & Springs	2	5,168	1,773	870	0	78	2,430	1	17
Supply Mains	2	1,163	399	196	0	17	547	0	4
Power Generation Equip	3	3,020	943	462	0	41	1,291	10	273
Pump Equip Electric	3	1,483	463	227	0	20	634	5	134
Pump Equip Other	3	337	105	52	0	5	144	1	30
WT Equip Non-Media	2	5,673	1,946	955	0	85	2,667	1	18
WT Equip Filter Media	2	1,741	597	293	0	26	819	0	6
Dist Reservoirs & Standpipe	5	966	370	190	0	19	160	8	220
Elevated Tanks & Standpipes	5	433	166	85	0	8	72	4	98
TD Mains Not Classified by	6	3,742	1,223	645	0	63	207	56	1,548
TD Mains 4" & Less	4	1,229	404	216	0	21	0	21	567
TD Mains 6 to 8"	4	2,917	959	512	0	50	0	49	1,347
TD Mains 10 to 16"	3	11	3	2	0	0	5	0	1
TD Mains 18" & Grtr	3	1	0	0	0	0	0	0	0
Services	9	11,570	7,988	2,662	0	315	363	242	0
Meters Bronze Case	8	2,105	1,556	441	0	52	56	0	0
Meters Plastic Case	8	(3)	(2)	(1)	0	(0)	(0)	0	0
Meters Other	8	1,140	843	239	0	28	30	0	0
Meters Other-Rem Rdr Unts	8	306	226	64	0	7	8	0	0
Meter Installations	8	3,101	2,293	649	0	76	83	0	0
Meter Vaults	8	292	216	61	0	7	8	0	0
Hydrants	7	2,394	0	0	0	0	0	0	2,394
Other P/E Intangible	17	97	40	17	0	2	21	1	17
Other P/E CPS	14	211	79	35	0	3	61	1	31
Office Furniture & Equip	14	88	33	15	0	1	26	1	13
Comp & Periph Equip	14	3,711	1,390	615	0	58	1,075	22	551
Computer Software	14	368	138	61	0	6	107	2	55

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Schedule B-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Public Authorities	Rate B Sales for Resale	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities			Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Comp Software Mainframe	14	2,831	1,060	469	0	44	820	16	420	
Comp Software Mainframe - CIS	12	1,448	1,165	233	0	28	14	7	0	
Comp Software Customized	14	5,587	2,093	926	0	88	1,619	32	829	
Comp Software Other	14	4	1	1	0	0	1	0	1	
Data Handling Equipment	14	2,034	762	337	0	32	589	12	302	
Other Office Equipment	14	80	30	13	0	1	23	0	12	
Trans Equip Lt Duty Trks	14	230	86	38	0	4	67	1	34	
Trans Equip Other	14	1	0	0	0	0	0	0	0	
Stores Equipment	14	676	253	112	0	11	196	4	100	
Tools,Shop,Garage Equip	14	1,966	736	326	0	31	570	11	292	
Laboratory Equipment	2	1,369	470	231	0	21	644	0	4	
Laboratory Equip Other	2	36	12	6	0	1	17	0	0	
Power Operated Equipment	14	128	48	21	0	2	37	1	19	
Comm Equip Non-Telephone	14	181	68	30	0	3	52	1	27	
Remote Control & Instr	14	3,647	1,366	605	0	57	1,057	21	541	
Comm Equip Telephone	14	(0)	(0)	(0)	0	(0)	(0)	(0)	(0)	
Misc Equipment	14	9,438	3,536	1,565	0	148	2,734	55	1,401	
Other Tangible Property	14	1,229	461	204	0	19	356	7	182	
Total Depreciation Expense		96,907	40,691	16,791	0	1,670	24,850	622	12,283	

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Schedule B-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B Sales for Resale (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
Amort-Other UP	18	15	6	3	0	0	3	0	3
Amort-Intangible Fin	2	0	0	0	0	0	0	0	0
Amort-Property Losses	2	15	5	3	0	0	7	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	205	80	35	0	3	55	1	31
Property Taxes	18	25,435	10,568	4,433	0	445	5,420	198	4,370
Payroll Taxes	16	10,907	3,725	1,805	0	168	3,302	68	1,840
Other Taxes & Licenses	14	1,196	448	198	0	19	346	7	177
Gross Receipts Tax	19		0	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>37,743</u>	<u>14,821</u>	<u>6,472</u>	<u>0</u>	<u>635</u>	<u>9,123</u>	<u>274</u>	<u>6,418</u>
Income Taxes	18	61,904	25,721	10,790	0	1,083	13,192	483	10,635
Utility Income Available for Return	18	<u>145,394</u>	<u>60,411</u>	<u>25,342</u>	<u>0</u>	<u>2,544</u>	<u>30,983</u>	<u>1,134</u>	<u>24,979</u>
Total Cost of Service		619,776	241,561	105,428	0	10,303	166,150	3,984	92,351
Less: Other Water Revenues	19	4,820	1,879	820	0	80	1,292	31	718
Total Other Water Revenues		<u>4,820</u>	<u>1,879</u>	<u>820</u>	<u>0</u>	<u>80</u>	<u>1,292</u>	<u>31</u>	<u>718</u>
Total Cost of Service Related to Sales of Water		<u>\$ 614,956</u>	<u>\$ 239,682</u>	<u>\$ 104,608</u>	<u>\$ -</u>	<u>\$ 10,222</u>	<u>\$ 164,857</u>	<u>\$ 3,954</u>	<u>\$ 91,633</u>
Reallocation of Public Fire	20	0	69,613	19,710	0	2,309	0	0	(91,633)
Total		<u>\$ 614,956</u>	<u>\$ 309,295</u>	<u>\$ 124,318</u>	<u>\$ -</u>	<u>\$ 12,532</u>	<u>\$ 164,857</u>	<u>\$ 3,954</u>	<u>\$ -</u>

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Schedule B-BRU

**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 <u>(1)</u>	Average Daily Consumption, 100 Gallons <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	270.80	0.2717
Commercial - Rate A	164.90	0.1655
Industrial - Rate A	0.00	0.0000
Other Public Authority - Rate A	16.20	0.0163
Sales for Resale - Rate B	538.40	0.5403
Private Fire Protection - Rate F	0.22	0.0002
Public Fire Protection	<u>5.96</u>	<u>0.0060</u>
Total	<u><u>996.48</u></u>	<u><u>1.0000</u></u>

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

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

Customer Classification <u>(1)</u>	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor <u>(6)=(3)+(5)</u>
	Allocation Factor 1 <u>(2)</u>	Weighted Factor <u>(3)=(2)x 0.5263</u>	Allocation Factor <u>(4)</u>	Weighted Factor <u>(5)=(4)x 0.4737</u>	
Residential - Rate A	0.2717	0.1429	0.4227	0.2002	0.3431
Commercial - Rate A	0.1655	0.0871	0.1716	0.0813	0.1684
Industrial - Rate A	0.0000	0.0000	0.0000	0.0000	0.0000
Other Public Authority - Rate A	0.0163	0.0086	0.0135	0.0064	0.0150
Sales for Resale - Rate B	0.5403	0.2844	0.3922	0.1858	0.4702
Private Fire Protection - Rate F	0.0002	0.0001			0.0001
Public Fire Protection	<u>0.0060</u>	<u>0.0032</u>			<u>0.0032</u>
Total	<u><u>1.0000</u></u>	<u><u>0.5263</u></u>	<u><u>1.0000</u></u>	<u><u>0.4737</u></u>	<u><u>1.0000</u></u>

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

MISSOURI-AMERICAN WATER COMPANY
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, 100 gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	270.8	1.5	406.2	0.4227
Commercial - Rate A	164.9	1.0	164.9	0.1716
Industrial - Rate A	0.0	0.6	0.0	0.0000
Other Public Authority - Rate A	16.2	0.8	13.0	0.0135
Sales for Resale - Rate B	538.4	0.7	376.9	0.3922
Total	990.3		961.0	1.0000

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 2014 (see Schedule D).

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

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
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	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.4786	(4)	(5)=(4) X 0.4307	(6)	(7)=(6) X 0.0907	(8)=(3)+(5)+(7)
Residential - Rate A	0.2717	0.1300	0.4227	0.1821			0.3121
Commercial - Rate A	0.1655	0.0792	0.1716	0.0739			0.1531
Industrial - Rate A	0.0000	0.0000	0.0000	0.0000			0.0000
Other Public Authority - Rate A	0.0163	0.0078	0.0135	0.0058			0.0136
Sales for Resale - Rate B	0.5403	0.2586	0.3922	0.1689			0.4275
Private Fire Protection - Rate F	0.0002	0.0001			0.0349	0.0032	0.0033
Public Fire Protection	0.0060	0.0029			0.9651	0.0875	0.0904
Total	1.0000	0.4786	1.0000	0.4307	1.0000	0.0907	1.0000

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Schedule C-BRU

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 2014 of 0.123 MGD. The system demand for fire protection is 300 Gallons per minute for 2 hours.

	Ratio	Rate of Flow, (GPD)	Weight
Average Day	1.00	123,504	0.4786
Maximum Day Extra Capacity	0.90	111,154	0.4307
Subtotal	1.90	234,658	0.9093
Fire Protection		23,400	0.0907
Total		258,058	1.0000

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	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2098	(5)	(6)=(5) X 0.3146	(7)	(8)=(7) X 0.4756	(9)=(4)+(6)+(8)
Residential - Rate A	11.28	0.5909	0.1240	0.6513	0.2049			0.3289
Commercial - Rate A	6.87	0.3599	0.0755	0.3174	0.0999			0.1754
Industrial - Rate A	0.00	0.0000	0.0000	0.0000	0.0000			0.0000
Other Public Authority - Rate A	0.68	0.0356	0.0075	0.0313	0.0098			0.0173
Sales for Resale - Rate B	0.00	0.0000	0.0000	0.0000	0.0000			0.0000
Private Fire Protection - Rate F	0.01	0.0005	0.0001			0.0349	0.0166	0.0167
Public Fire Protection	0.25	0.0131	0.0027			0.9651	0.4590	0.4617
Total	19.09	1.0000	0.2098	1.0000	0.3146	1.0000	0.4756	1.0000

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

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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 2014 of 0.123 MGD. The system demand for fire protection is 300 gallons per minute.

	<u>Ratio</u>	<u>Rate of Flow, (GPM)</u>	<u>Weight</u>
Average Hour	1.00	86	0.2098
Maximum Hour Extra Capacity	<u>1.50</u>	<u>129</u>	<u>0.3146</u>
Subtotal	<u><u>2.50</u></u>	215	0.5244
Fire Protection		<u>195</u>	<u>0.4756</u>
Total		<u><u>410</u></u>	<u><u>1.0000</u></u>

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

<u>Customer Classification</u>	<u>Average Hourly Consumption 100 gallons</u>	<u>Maximum Hour Extra Capacity</u>		
		<u>Factor*</u>	<u>100 Gallons Per Hour</u>	<u>Allocation Factor</u>
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	11.28	3.5	39.48	0.6513
Commercial - Rate A	6.87	2.8	19.24	0.3174
Industrial - Rate A	0.00	1.5	0.00	0.0000
Other Public Authority - Rate A	0.68	2.8	1.90	0.0313
Sales for Resale - Rate B	<u>0.00</u>	2.0	<u>0.00</u>	<u>0.0000</u>
Total	<u><u>18.83</u></u>		<u><u>60.62</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
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		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3064	(5)	(6)=(5) X 0.4596	(7)	(8)=(7) X 0.2340	(9)=(4)+(6)+(8)
Residential - Rate A	11.3	0.2722	0.0833	0.6513	0.2993			0.3826
Commercial - Rate A	6.9	0.1663	0.0510	0.3174	0.1459			0.1969
Industrial - Rate A	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Other Public Authority - Rate A	0.7	0.0169	0.0052	0.0313	0.0144			0.0196
Sales for Resale - Rate B	22.4	0.5398	0.1654	0.0000	0.0000			0.1654
Private Fire Protection - Rate F	0.0	0.0000	0.0000			0.0349	0.0082	0.0082
Public Fire Protection	0.2	0.0048	0.0015			0.9651	0.2258	0.2273
Total	41.5	1.0000	0.3064	1.0000	0.4596	1.0000	0.2340	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.

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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, 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.

$$\text{Fire Protection Weight} = \frac{195 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{100,000 \text{ Gallons}} = 0.2340$$

$$\text{General Service Weight} = 1.0000 - 0.2340 = 0.7660$$

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	0.3064
Extra Capacity Maximum Hour	<u>1.50</u>	<u>60.00</u>	<u>0.4596</u>
Total	<u><u>2.50</u></u>	<u><u>100.00</u></u>	<u><u>0.7660</u></u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X	(4)	(5)=(4)X	(6)=(3)+(5)
		0.1295		0.8705	
Residential - Rate A	0.3121	0.0404	0.3289	0.2863	0.3267
Commercial - Rate A	0.1531	0.0198	0.1754	0.1527	0.1725
Industrial - Rate A	0.0000	0.0000	0.0000	0.0000	0.0000
Other Public Authority - Rate A	0.0136	0.0018	0.0173	0.0151	0.0169
Sales for Resale - Rate B	0.4275	0.0554	0.0000	0.0000	0.0554
Private Fire Protection - Rate F	0.0033	0.0004	0.0167	0.0145	0.0149
Public Fire Protection	0.0904	0.0117	0.4617	0.4019	0.4136
Total	<u>1.0000</u>	<u>0.1295</u>	<u>1.0000</u>	<u>0.8705</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	0.1295
Distribution Mains	<u>65,823</u>	<u>0.8705</u>
Total	<u>75,618</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	332	0.7394
Commercial - Rate A	94	0.2094
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	11	0.0245
Sales for Resale - Rate B	12	0.0267
Private Fire Protection - Rate F	<u>0</u>	<u>0.0000</u>
Total	<u>449</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Meters	Weighting (10)=(2)X(9)	Number of Meters	Weighting (12)=(2)X(11)	Number of Meters	Weighting (14)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	328	328	50	50	0	0	7	7	1	1	386	386
3/4	2.1	2	4	0	0	0	0	0	0	0	0	2	4
1	2.0	0	0	11	22	0	0	0	0	1	2	12	24
1-1/2	3.5	0	0	0	0	0	0	0	0	0	0	0	0
2	4.3	0	0	5	22	0	0	1	4	2	9	8	35
3	7.0	0	0	0	0	0	0	0	0	0	0	0	0
4	10.5	0	0	0	0	0	0	0	0	0	0	0	0
6	16.8	0	0	0	0	0	0	0	0	0	0	0	0
8	64.0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>330</u>	<u>332</u>	<u>66</u>	<u>94</u>	<u>0</u>	<u>0</u>	<u>8</u>	<u>11</u>	<u>4</u>	<u>12</u>	<u>408</u>	<u>449</u>

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Schedule C-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	330	0.6904
Commercial - Rate A	110	0.2301
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	13	0.0272
Sales for Resale - Rate B	15	0.0314
Private Fire Protection - Rate F	<u>10</u>	<u>0.0209</u>
Total	<u><u>478</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(15)	(16)
3/4	1.00	330	330	50	50	0	0	7	7	1	1	0	0	388	388
1	2.94	0	0	11	32	0	0	0	0	1	3	0	0	12	35
1-1/2	4.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	5.55	0	0	5	28	0	0	1	6	2	11	0	0	8	45
3	5.55	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	6.37	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	9.92	0	0	0	0	0	0	0	0	0	0	1	10	1	10
8	9.92	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	9.92	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		<u>330</u>	<u>330</u>	<u>66</u>	<u>110</u>	<u>0</u>	<u>0</u>	<u>8</u>	<u>13</u>	<u>4</u>	<u>15</u>	<u>1</u>	<u>10</u>	<u>409</u>	<u>478</u>

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Schedule C-BRU

**MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT**

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

FACTOR 10. 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:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Operating Expenses</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	\$ 245	0.3267
Commercial - Rate A	129	0.1725
Industrial - Rate A	-	0.0000
Other Public Authority - Rate A	13	0.0169
Sales for Resale - Rate B	41	0.0554
Private Fire Protection - Rate F	11	0.0149
Public Fire Protection	<u>310</u>	<u>0.4136</u>
Total	<u><u>749</u></u>	<u><u>1.0000</u></u>

FACTOR 11. 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, however, due to few expenses in these categories, Factor 7 is used as follows:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Maintenance Expenses</u> (2)	<u>Factor 7 Allocation Factor</u> (3)
Residential - Rate A	\$ 2,108	0.3267
Commercial - Rate A	1,113	0.1725
Industrial - Rate A	-	0.0000
Other Public Authority - Rate A	109	0.0169
Sales for Resale - Rate B	357	0.0554
Private Fire Protection - Rate F	96	0.0149
Public Fire Protection	<u>2,668</u>	<u>0.4136</u>
Total	<u><u>\$6,452</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 12. 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 - Rate A	330	0.8048
Commercial - Rate A	66	0.1610
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	8	0.0195
Sales for Resale - Rate B	4	0.0098
Private Fire Protection - Rate F	2	0.0049
Public Fire Protection	0	0.0000
Total	<u>410</u>	<u>1.0000</u>

FACTOR 13. 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 - Rate A	330	0.8088
Commercial - Rate A	66	0.1618
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	8	0.0196
Sales for Resale - Rate B	4	0.0098
Total	<u>408</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	\$56,568	0.3746
Commercial - Rate A	25,028	0.1658
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	2,373	0.0157
Sales for Resale - Rate B	43,750	0.2897
Private Fire Protection - Rate F	877	0.0058
Public Fire Protection	<u>22,402</u>	<u>0.1484</u>
Total	<u><u>\$150,998</u></u>	<u><u>1.0000</u></u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

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

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	\$99,868	0.3596
Commercial - Rate A	46,012	0.1657
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	4,367	0.0157
Sales for Resale - Rate B	87,963	0.3168
Private Fire Protection - Rate F	1,471	0.0053
Public Fire Protection	<u>38,019</u>	<u>0.1369</u>
Total	<u><u>\$277,700</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$48,992	0.3415
Commercial - Rate A	23,733	0.1655
Industrial - Rate A	0	0.0000
Other Public Authority - Rate A	2,208	0.0154
Sales for Resale - Rate B	43,422	0.3027
Private Fire Protection - Rate F	891	0.0062
Public Fire Protection	24,194	0.1687
Total	<u>\$143,440</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	\$925,855	0.4156
Commercial	388,307	0.1743
Industrial	0	0.0000
Other Public Authority	39,067	0.0175
Sales for Resale	474,402	0.2130
Private Fire Protection	17,357	0.0078
Public Fire Protection	382,665	0.1718
Total	<u>\$2,227,654</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.

<u>Customer Classification</u> (1)	<u>Original Cost Measure of Value</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$735,814	0.4155
Commercial	308,697	0.1743
Industrial	0	0.0000
Other Public Authority	31,070	0.0175
Sales for Resale	377,367	0.2131
Private Fire Protection	13,788	0.0078
Public Fire Protection	<u>304,199</u>	<u>0.1718</u>
Total	<u><u>\$1,770,935</u></u>	<u><u>1.0000</u></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.

<u>Customer Classification</u> (1)	<u>Total Cost of Service</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$241,467	0.3898
Commercial	105,387	0.1701
Industrial	0	0.0000
Other Public Authority	10,299	0.0166
Sales for Resale	166,085	0.2681
Private Fire Protection	3,983	0.0064
Public Fire Protection	<u>92,315</u>	<u>0.1490</u>
Total	<u><u>\$619,536</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RATE BASE									
Organization	17	168	\$ 70	\$ 29	\$ -	\$ 3	\$ 36	\$ 1	\$ 29
Franchises	17	1,092	454	190	0	19	233	9	188
Land & Ld Rights SS	2	11,981	4,111	2,018	0	180	5,633	1	38
Land & Ld Rights WT	2	1,468	504	247	0	22	690	0	5
Land & Ld Rights TD	6	573	187	99	0	10	32	9	237
Struct & Imp SS	2	16,010	5,493	2,696	0	240	7,528	2	51
Struct & Imp P	3	44,363	13,846	6,792	0	603	18,965	146	4,010
Struct & Imp WT	2	169,654	58,208	28,570	0	2,545	79,771	17	543
Struct & Imp TD	6	16,991	5,551	2,931	0	287	941	253	7,028
Struct & Imp AG	6	23,504	7,679	4,054	0	397	1,302	350	9,721
Struct & Imp Offices	14	78,197	29,293	12,965	0	1,228	22,654	454	11,604
Struct & Imp Store,Shop,Gar	14	(1,752)	(656)	(290)	0	(28)	(507)	(10)	(260)
Struct & Imp Misc	14	14,277	5,348	2,367	0	224	4,136	83	2,119
Infiltration Galleries & Tunnels	2	1,804	619	304	0	27	848	0	6
Wells & Springs	2	139,578	47,889	23,505	0	2,094	65,629	14	447
Supply Mains	2	37,850	12,986	6,374	0	568	17,797	4	121
Power Generation Equip	3	95,407	29,777	14,607	0	1,298	40,786	315	8,625
Pump Equip Electric	3	60,575	18,905	9,274	0	824	25,896	200	5,476
Pump Equip Other	3	19,501	6,086	2,986	0	265	8,336	64	1,763
WT Equip Non-Media	2	111,531	38,266	18,782	0	1,673	52,442	11	357
WT Equip Filter Media	2	55,702	19,111	9,380	0	836	26,191	6	178
Dist Reservoirs & Standpipe	5	18,566	7,103	3,656	0	364	3,071	152	4,220
Elevated Tanks & Standpipes	5	23,773	9,096	4,681	0	466	3,932	195	5,404
TD Mains Not Classified by	6	81,206	26,530	14,008	0	1,372	4,499	1,210	33,587
TD Mains 4" & Less	4	59,697	19,634	10,471	0	1,033	0	997	27,562
TD Mains 6 to 8"	4	314,195	103,339	55,110	0	5,436	0	5,247	145,064

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Schedule C-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TD Mains 10 to 16"	3	500	156	76	0	7	214	2	45
TD Mains 18" & Grtr	3	49	15	8	0	1	21	0	4
Services	9	303,074	209,242	69,737	0	8,244	9,517	6,334	0
Meters Bronze Case	8	64,754	47,879	13,560	0	1,586	1,729	0	0
Meters Plastic Case	8	(104)	(77)	(22)	0	(3)	(3)	0	0
Meters Other	8	21,580	15,956	4,519	0	529	576	0	0
Meters Other-Rem Rdr Unts	8	9,837	7,274	2,060	0	241	263	0	0
Meter Installations	8	99,661	73,689	20,869	0	2,442	2,661	0	0
Meter Vaults	8	9,394	6,946	1,967	0	230	251	0	0
Hydrants	7	83,144	0	0	0	0	0	0	83,144
Other P/E Intangible	17	1,990	827	347	0	35	424	16	342
Other P/E CPS	14	6,974	2,612	1,156	0	109	2,020	40	1,035
Office Furniture & Equip	14	1,413	529	234	0	22	409	8	210
Comp & Periph Equip	14	(7,635)	(2,860)	(1,266)	0	(120)	(2,212)	(44)	(1,133)
Computer Software	14	(7,647)	(2,864)	(1,268)	0	(120)	(2,215)	(44)	(1,135)
Comp Software Mainframe	14	27,324.74	10,236	4,530	0	429	7,916	158	4,055
Comp Software Mainframe - CIS	12	13,976	11,248	2,250	0	273	137	68	0
Comp Software Customized	14	55,866	20,927	9,263	0	877	16,184	324	8,290
Comp Software Other	14	37	14	6	0	1	11	0	5
Data Handling Equipment	14	30,493	11,423	5,056	0	479	8,834	177	4,525
Other Office Equipment	14	(10,054)	(3,766)	(1,667)	0	(158)	(2,913)	(58)	(1,492)
Trans Equip Lt Duty Trks	14	8,299	3,109	1,376	0	130	2,404	48	1,232
Trans Equip Hvy Duty Trks	14	(73)	(27)	(12)	0	(1)	(21)	(0)	(11)
Trans Equip Autos	14	(392)	(147)	(65)	0	(6)	(114)	(2)	(58)
Trans Equip Other	14	(12,477)	(4,674)	(2,069)	0	(196)	(3,615)	(72)	(1,852)
Stores Equipment	14	9,921	3,716	1,645	0	156	2,874	58	1,472
Tools,Shop,Garage Equip	14	22,647	8,484	3,755	0	356	6,561	131	3,361
Laboratory Equipment	2	14,201	4,872	2,391	0	213	6,677	1	45
Laboratory Equip Other	2	544	187	92	0	8	256	0	2
Power Operated Equipment	14	1,123	421	186	0	18	325	7	167
Comm Equip Non-Telephone	14	(17,395)	(6,516)	(2,884)	0	(273)	(5,039)	(101)	(2,581)
Remote Control & Instr	14	54,677	20,482	9,066	0	858	15,840	317	8,114
Comm Equip Telephone	14	(3,052)	(1,143)	(506)	0	(48)	(884)	(18)	(453)
Misc Equipment	14	52,344	19,608	8,679	0	822	15,164	304	7,768
Other Tangible Property	17	9,624	4,000	1,677	0	168	2,050	75	1,653
Total Utility Plant in Service		2,240,529	931,206	390,551	0	39,293	477,144	17,458	384,877

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Schedule C-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Public Authorities (7)	Rate B Sales for Resale (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Private (9)			Public (10)	
Other Rate Base Items										
Add:										
Materials and Supplies	14	1,293	484	214	0	20	375	7	192	
Prepayments	14	1,737	651	288	0	27	503	10	258	
Pension / OPEB Tracker	16	12,595	4,301	2,084	0	194	3,813	78	2,125	
Tank Painting Tracker	5	1,291	494	254	0	25	214	11	293	
Less:										
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0	
Deferred Income Taxes	17	(474,750)	(197,306)	(82,749)	0	(8,308)	(101,122)	(3,703)	(81,562)	
Pensions	16	(11,760)	(4,016)	(1,946)	0	(181)	(3,560)	(73)	(1,984)	
Total Other Rate Base Elements		<u>(469,594)</u>	<u>(195,392)</u>	<u>(81,854)</u>	<u>0</u>	<u>(8,222)</u>	<u>(99,778)</u>	<u>(3,670)</u>	<u>(80,678)</u>	
Total Original Cost Measure of Value		<u>\$ 1,770,935</u>	<u>\$ 735,814</u>	<u>\$ 308,697</u>	<u>\$ -</u>	<u>\$ 31,070</u>	<u>\$ 377,367</u>	<u>\$ 13,788</u>	<u>\$ 304,199</u>	

BRU-29

Schedule C-BRU

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	332	0.7597
Commercial	94	0.2151
Industrial	0	0.0000
Other Public Authority	11	0.0252
Sales for Resale	0	0.0000
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>437</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
BRUNSWICK DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2014

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
2008	0.116	0.221	1.90	10/22/2008
2009	0.093	0.160	1.72	5/20/2009
2010	0.075	0.114	1.53	5/20/2010
2011	0.071	0.114	1.62	5/8/2011
2012	0.067	0.119	1.77	6/10/2012
2013	0.084	0.160	1.91	9/12/2013
2014	0.124	0.178	1.44	7/1/2014

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>				
<u>Fire Lines</u>				
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	1	6	
Total Private Fire Protection		2	42	0.0349
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>		<u>Nozzle Sizes</u>		
5 1/4" Valve	1-2 1/2" & 1- 4 1/2"	26.5	25	663
4 1/2" Valve	1-2 1/2" & 1- 4 1/2"	20.3	14	284
4 1/2" Valve	1-2 1/2"	6.3	11	69
4 1/4" Valve	1-2 1/2"	6.3	12	75
4 1/4" Valve	1-2 1/2" & 1- 4 1/2"	18.1	4	72
Total Public Fire Protection		66	1,163	0.9651
Total Fire Protection		68	1,205	1.0000

MISSOURI AMERICAN WATER
BRUNSWICK DISTRICT
CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	\$ 28,107	449 5/8 Equivalents	\$ 5.22
Services	41,938	468 3/4 Equivalents	7.47
Billing/Collecting	<u>30,032</u>	4,896 Bills	<u>6.13</u>
Subtotal	100,077		18.82
Unrecovered Public Fire	<u>91,633</u>	449 5/8 Equivalents	17.01
Total	<u><u>\$ 191,709</u></u>		<u><u>\$ 35.83</u></u>

BRU-33

Schedule F-BRU

JEFFERSON CITY DISTRICT

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
	Residential	\$ 4,832,155	56.6%	\$ 4,461,036	53.8%	\$ 4,844,570	53.9%	\$ 383,533
Commercial	1,950,185	22.8%	1,944,078	23.5%	2,362,432	26.2%	418,354	21.5%
Industrial	48,161	0.6%	46,182	0.6%	63,841	0.7%	17,659	38.2%
Public Authority	695,837	8.1%	683,509	8.3%	883,586	9.8%	200,077	29.3%
Total Rate A	7,526,337	88.1%	7,134,806	86.2%	8,154,429	90.6%	1,019,623	14.3%
Rate J - Large Users	871,552	10.2%	848,263	10.3%	661,956	7.3%	(186,307)	-22.0%
Private Fire Service	140,958	1.7%	288,230	3.5%	192,823	2.1%	(95,407)	-33.1%
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	\$ 8,538,848	<u>100.0%</u>	\$ 8,271,298	<u>100.0%</u>	\$ 9,009,207	<u>100.0%</u>	\$ 737,909	8.9%
Other Revenues	93,832		93,832		93,832		-	0.0%
Total	<u>\$ 8,632,680</u>		<u>\$ 8,365,131</u>		<u>\$ 9,103,040</u>		<u>\$ 737,909</u>	8.8%

JFC-1

Schedule A-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate J (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	19,390	9,569	4,966	153	1,805	2,852	8	37
Purchased Water	1	22,379	9,466	5,919	181	2,148	4,554	20	90
TOTAL SS EXPENSE - OPERATION		41,769	19,035	10,885	334	3,954	7,406	28	126
Misc Exp Oper SS	2	(75)	(37)	(19)	(1)	(7)	(11)	(0)	(0)
Lake, River & Oth Maint SS - Labor	2	229	113	59	2	21	34	0	0
Wells & Springs Maint SS - Labor	2	2	1	1	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infilt Gall & Tunnels Maint SS - Labor	2	52	26	13	0	5	8	0	0
Supply Mains Maint SS - Labor	2	3	2	1	0	0	0	0	0
Misc Plant Maint SS - Labor	2	6	3	2	0	1	1	0	0
TOTAL SS EXPENSE - MAINTENANCE		218	107	56	2	20	32	0	0
TOTAL SS EXPENSE		41,987	19,143	10,941	336	3,974	7,438	28	127
POWER AND PUMPING EXPENSES									
Super & Eng Oper P - Labor	3	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	265,849	112,454	70,317	2,153	25,522	54,100	239	1,063
Labor & Exp Oper Pump - Labor	3	371	168	87	3	32	50	6	25
TOTAL PUMPING EXPENSE - OPERATION		266,220	112,622	70,404	2,156	25,553	54,150	245	1,089

JFC-2

Schedule B-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate J (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
Super & Eng Maint P	3	0	0	0	0	0	0	0	0
Struct & Improve Maint P - Labor	3	4	2	1	0	0	1	0	0
Pump Equip Maint P - Labor	3	12	5	3	0	1	2	0	1
Pump Equip Maint P	3	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		16	7	4	0	1	2	0	1
TOTAL PUMPING EXPENSES		266,236	112,629	70,408	2,156	25,555	54,152	245	1,090
WATER TREATMENT									
Super & Eng Oper WT	2	51,003	25,170	13,062	403	4,748	7,503	20	97
Chemicals	1	300,578	127,144	79,503	2,435	28,855	61,168	271	1,202
Labor & Exp Oper WT - Labor	2	250,699	123,720	64,204	1,981	23,340	36,878	100	476
Labor & Exp Oper WT	2	31,040	15,318	7,949	245	2,890	4,566	12	59
Misc Exp Oper WT	2	10,790	5,325	2,763	85	1,005	1,587	4	21
TOTAL WT EXPENSE - OPERATION		644,110	296,677	167,481	5,149	60,838	111,701	408	1,855
Super & Eng Maint WT	2	46,142	22,771	11,817	365	4,296	6,788	18	88
WT Equip Maint WT	2	28,999	14,311	7,427	229	2,700	4,266	12	55
TOTAL WT EXPENSE - MAINTENANCE		75,141	37,082	19,244	594	6,996	11,053	30	143
TOTAL WT EXPENSE		719,251	333,759	186,725	5,742	67,834	122,754	438	1,998
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	10	2,935	1,309	555	11	205	219	118	518
TD Lines Exp - Labor	6	23,875	8,323	4,424	103	1,612	2,395	1,299	5,720
TD Lines Exp	6	8	3	1	0	1	1	0	2
Meter Expense - Labor	8	8,527	6,130	1,699	23	656	20	0	0
Customer Install Exp - Labor	9	2	1	0	0	0	0	0	0
Misc Exp Oper TD - Labor	10	244	109	46	1	17	18	10	43
Misc Exp Oper TD	10	50,016	22,302	9,453	195	3,501	3,726	2,006	8,833
TOTAL T & D EXPENSE OPERATION		85,607	38,177	16,178	333	5,992	6,378	3,433	15,117

JFC-3

Schedule B-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities		Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Super & Eng Maint TD	11	2,935	1,225	560	11	206	225	172	535
Struct & Improve Maint TD - Labor	11	3	1	1	0	0	0	0	1
Dist Res Stand Maint TD - Labor	5	159	50	27	1	10	14	11	47
TD Main Maint TD - Labor	6	21,713	7,569	4,023	93	1,466	2,178	1,181	5,202
TD Main Maint TD	6	116,531	40,623	21,593	501	7,866	11,688	6,339	27,921
Services Maint TD - Labor	9	43,446	27,688	9,033	96	3,406	83	3,141	0
Meters Maint TD - Labor	10	6	3	1	0	0	0	0	1
Labor Maint TD - Labor	11	56,338	23,521	10,744	214	3,949	4,327	3,307	10,276
Misc Maint TD	11	74,429	31,074	14,194	283	5,217	5,716	4,369	13,576
TOTAL T & D EXPENSE - MAINTENANCE		315,560	131,755	60,175	1,199	22,121	24,232	18,521	57,559
TOTAL T & D EXPENSE		401,167	169,931	76,353	1,532	28,112	30,610	21,953	72,675
CUSTOMER ACCOUNTS									
Supervision CA	12	5,717	4,731	739	5	155	3	83	0
Meter Reading Exp CA - Labor	13	45,568	38,272	5,978	36	1,258	23	0	0
Cust Rec & Collection CA - Labor	12	72,277	59,817	9,345	58	1,966	36	1,055	0
Cust Rec & Collection CA	12	83,714	69,282	10,824	67	2,277	42	1,222	0
Uncollectible Accts	12	94,545	78,245	12,225	76	2,572	47	1,380	0
Misc Cust Accts Exp CA	12	14,318	11,850	1,851	11	389	7	209	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		316,138	262,197	40,963	253	8,617	158	3,950	0
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	14	393,715	220,874	78,231	1,772	26,418	32,442	8,898	25,080
Other Supplies & Exp AG	14	67,555	37,898	13,423	304	4,533	5,567	1,527	4,303
Mgmt Fees-Admin	14	552,957	310,209	109,873	2,488	37,103	45,564	12,497	35,223
Mgmt Fees-Customer Service	12	101,580	84,067	13,134	81	2,763	51	1,483	0
Mgmt Fees-Belleville Lab	2	3,189	1,574	817	25	297	469	1	6
Mgmt Fees- Employee	16	34,402	19,169	7,197	172	2,473	3,127	650	1,613
Outside Services AG	14	35,559	19,949	7,066	160	2,386	2,930	804	2,265
Outside Services AG	14	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	14	80,235	45,012	15,943	361	5,384	6,611	1,813	5,111
Ins Work Comp AG	14	31,678	17,771	6,294	143	2,126	2,610	716	2,018
Ins Other Oper AG	14	12,740	7,147	2,531	57	855	1,050	288	812
Ins Vehicle	14	3,434	1,926	682	15	230	283	78	219
Injuries & Damages	16	1,936	1,079	405	10	139	176	37	91
Employee Pension & Benefits	16	283,898	158,188	59,391	1,419	20,412	25,806	5,366	13,315

JFC-4

Schedule B-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities		Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Reg Commision Exp	19	24,181	11,817	5,005	131	1,770	2,462	399	2,597
Rents AG	14	6,804	3,817	1,352	31	457	561	154	433
Goodwill Advertising Exp	14	2,439	1,368	485	11	164	201	55	155
Misc Exp AG	14	70,087	39,319	13,926	315	4,703	5,775	1,584	4,465
Research & Development	14	2,025	1,136	402	9	136	167	46	129
TOTAL A & G OPERATIONS		1,708,413	982,321	336,158	7,505	112,349	135,851	36,394	97,835
General Plant Maint AG	14	14,456	8,110	2,872	65	970	1,191	327	921
TOTAL A & G EXPENSE - MAINTENANCE		14,456	8,110	2,872	65	970	1,191	327	921
TOTAL A & G EXPENSE		1,722,869	990,430	339,031	7,570	113,319	137,042	36,721	98,756
Total Operation & Maintenance Expenses		3,467,648	1,888,090	724,421	17,589	247,411	352,156	63,336	174,646
DEPRECIATION EXPENSE									
Struct & Imp SS	2	18,417	9,089	4,717	145	1,715	2,709	7	35
Struct & Imp P	6	60,584	21,120	11,226	261	4,089	6,077	3,296	14,516
Struct & Imp WT	2	52,965	26,138	13,564	418	4,931	7,791	21	101
Struct & Imp TD	6	3,029	1,056	561	13	204	304	165	726
Struct & Imp AG	14	3,017	1,693	599	14	202	249	68	192
Struct & Imp Offices	14	5,087	2,854	1,011	23	341	419	115	324
Lake, River & Other Intakes	2	261,876	129,236	67,066	2,069	24,381	38,522	105	498
Supply Mains	2	14,330	7,072	3,670	113	1,334	2,108	6	27
Power Generation Equip	3	19,513	8,839	4,586	140	1,668	2,634	304	1,341
Pump Equip Electric	3	82,316	37,289	19,344	593	7,038	11,113	1,284	5,655
Pump Equip Hydraulic	3	386	175	91	3	33	52	6	27
Pump Equip Other	3	500	227	118	4	43	68	8	34
WT Equip Non-Media	2	78,803	38,889	20,181	623	7,337	11,592	32	150
WT Equip Filter Media	2	3,544	1,749	908	28	330	521	1	7
Dist Reservoirs & Standpipe	5	893	282	151	3	55	80	60	263
Elevated Tanks & Standpipes	5	18,023	5,684	3,040	63	1,107	1,620	1,206	5,302
Ground Level Facilities	5	116	37	20	0	7	10	8	34
TD Mains Not Classified by	6	24,947	8,697	4,623	107	1,684	2,502	1,357	5,977
TD Mains 4 & Less "	4	3,622	1,189	636	13	231	339	225	989
TD Mains 6 to 8" "	4	55,566	18,242	9,752	206	3,551	5,201	3,445	15,170

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Schedule B-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate J (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
TD Mains 10 to 16" "	3	52,274	23,680	12,284	376	4,469	7,057	815	3,591
TD Mains 18 & Grtr "	3	22,739	10,301	5,344	164	1,944	3,070	355	1,562
Services	9	32,793	20,899	6,818	72	2,571	62	2,371	0
Meters Bronze Case	8	33,976	24,425	6,768	92	2,613	78	0	0
Meters Plastic Case	8	1,273	915	254	3	98	3	0	0
Meters Other	8	35,202	25,307	7,012	95	2,707	81	0	0
Meters Other-Rem Rdr Unts	8	265	191	53	1	20	1	0	0
Meter Installations	8	10,896	7,833	2,170	29	838	25	0	0
Hydrants	7	25,384	0	0	0	0	0	0	25,384
Other P/E CPS	14	1,720	965	342	8	115	142	39	110
Office Furniture & Equip	14	865	485	172	4	58	71	20	55
Comp & Periph Equip	14	59,101	33,156	11,743	266	3,966	4,870	1,336	3,765
Computer Software	14	12,454	6,987	2,475	56	836	1,026	281	793
Comp Software Mainframe	14	74,654	41,881	14,834	336	5,009	6,151	1,687	4,755
Comp Software Mainframe - CIS	12	38,184	31,601	4,937	31	1,039	19	557	0
Comp Software Other	14	97	54	19	0	7	8	2	6
Other Office Equipment	14	104	59	21	0	7	9	2	7
Trans Equip Lt Duty Trks	14	10,532	5,908	2,093	47	707	868	238	671
Trans Equip Other	14	2,485	1,394	494	11	167	205	56	158
Stores Equipment	14	1,065	597	212	5	71	88	24	68
Tools,Shop,Garage Equip	14	14,552	8,164	2,892	65	976	1,199	329	927
Laboratory Equipment	2	5,012	2,474	1,284	40	467	737	2	10
Laboratory Equip Other	2	1,294	639	331	10	120	190	1	2
Power Operated Equipment	14	4,078	2,288	810	18	274	336	92	260
Comm Equip Non-Telephone	14	4,597	2,579	913	21	308	379	104	293
Remote Control & Instr	14	1,384	776	275	6	93	114	31	88
Comm Equip Telephone	14	6	4	1	0	0	1	0	0
Misc Equipment	14	14,657	8,222	2,912	66	983	1,208	331	934

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Schedule B-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate J (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
Other Tangible Equipements	14	62	35	12	0	4	5	1	4
Total Depreciation Expense		<u>1,169,240</u>	<u>581,373</u>	<u>253,338</u>	<u>6,663</u>	<u>90,750</u>	<u>121,914</u>	<u>20,394</u>	<u>94,809</u>
Amort-Other UP	18	4,206	1,826	850	23	310	427	61	709
Amort-UPAA	2	714	352	183	6	66	105	0	1
Amort-Property Losses	2	4,188	2,067	1,073	33	390	616	2	8
Taxes Other Than Income									
Property Taxes	18	463,600	201,249	93,740	2,550	34,121	47,055	6,769	78,117
Payroll Taxes	16	77,911	43,412	16,299	390	5,602	7,082	1,473	3,654
Other Taxes & Licenses	14	3,570	2,003	709	16	240	294	81	227
Gross Receipts Tax	19	75,927	37,106	15,717	410	5,558	7,729	1,253	8,155
Total Taxes, Other Than Income		<u>621,008</u>	<u>283,769</u>	<u>126,465</u>	<u>3,365</u>	<u>45,520</u>	<u>62,161</u>	<u>9,575</u>	<u>90,153</u>
Income Taxes	18	1,012,768	439,643	204,782	5,570	74,540	102,796	14,786	170,651
Utility Income Available for Return	18	<u>2,352,908</u>	<u>1,021,397</u>	<u>475,758</u>	<u>12,941</u>	<u>173,174</u>	<u>238,820</u>	<u>34,352</u>	<u>396,465</u>
Total Cost of Service		<u>8,632,680</u>	<u>4,218,518</u>	<u>1,786,869</u>	<u>46,190</u>	<u>632,160</u>	<u>878,994</u>	<u>142,507</u>	<u>927,442</u>
Less: Other Water Revenues	19	<u>93,832</u>	<u>45,856</u>	<u>19,423</u>	<u>507</u>	<u>6,869</u>	<u>9,552</u>	<u>1,548</u>	<u>10,078</u>
Total Other Water Revenues		<u>93,832</u>	<u>45,856</u>	<u>19,423</u>	<u>507</u>	<u>6,869</u>	<u>9,552</u>	<u>1,548</u>	<u>10,078</u>
Total Cost of Service Related to Sales of Water		<u>\$ 8,538,848</u>	<u>\$ 4,172,662</u>	<u>\$ 1,767,446</u>	<u>\$ 45,684</u>	<u>\$ 625,292</u>	<u>\$ 869,442</u>	<u>\$ 140,958</u>	<u>\$ 917,364</u>
Reallocation of Public Fire	20	0	659,493	182,739	2,477	70,545	2,110	0	(917,364)
Total		<u>\$ 8,538,848</u>	<u>\$ 4,832,155</u>	<u>\$ 1,950,185</u>	<u>\$ 48,161</u>	<u>\$ 695,837</u>	<u>\$ 871,552</u>	<u>\$ 140,958</u>	<u>\$ -</u>

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Schedule B-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY 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, 100 Gallons	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	12,317	0.4230
Commercial - Rate A	7,701	0.2645
Industrial - Rate A	235	0.0081
Other Public Authority - Rate A	2,796	0.0960
Rate J - Large Users	5,925	0.2035
Private Fire Protection	27	0.0009
Public Fire Protection	117	0.0040
Total	<u>29,118</u>	<u>1.0000</u>

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.4762	(4)	(5)=(4)x 0.5238	(6)=(3)+(5)
Residential - Rate A	0.4230	0.2014	0.5577	0.2921	0.4935
Commercial - Rate A	0.2645	0.1260	0.2483	0.1301	0.2561
Industrial - Rate A	0.0081	0.0039	0.0076	0.0040	0.0079
Other Public Authority - Rate A	0.0960	0.0457	0.0905	0.0474	0.0931
Rate J - Large Users	0.2035	0.0969	0.0959	0.0502	0.1471
Private Fire Protection	0.0009	0.0004			0.0004
Public Fire Protection	0.0040	0.0019			0.0019
Total	<u>1.0000</u>	<u>0.4762</u>	<u>1.0000</u>	<u>0.5238</u>	<u>1.0000</u>

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

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY 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, 100 Gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	12,317	1.4	17,244	0.5577
Commercial - Rate A	7,674	1.0	7,674	0.2483
Industrial - Rate A	235	1.0	235	0.0076
Other Public Authority - Rate A	2,796	1.0	2,796	0.0905
Rate J - Large Users	<u>5,925</u>	0.5	<u>2,963</u>	<u>0.0959</u>
Total	<u><u>28,947</u></u>		<u><u>30,912</u></u>	<u><u>1.0000</u></u>

The weighting of the factors is based on the maximum day ratio of 2.10, based on a review of maximum day ratios experienced during the period 1999 through 2014 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4762
Maximum Day Extra Capacity	<u>1.10</u>	<u>0.5238</u>
Total	<u><u>2.10</u></u>	<u><u>1.0000</u></u>

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.4370	(4)	(5)=(4) X 0.4808	(6)	(7)=(6) X 0.0822	(8)=(3)+(5)+(7)
Residential - Rate A	0.4230	0.1849	0.5577	0.2681			0.4530
Commercial - Rate A	0.2645	0.1156	0.2483	0.1194			0.2350
Industrial - Rate A	0.0081	0.0035	0.0076	0.0037			0.0072
Other Public Authority - Rate A	0.0960	0.0420	0.0905	0.0435			0.0855
Rate J - Large Users	0.2035	0.0889	0.0959	0.0461			0.1350
Private Fire Protection	0.0009	0.0004			0.1852	0.0152	0.0156
Public Fire Protection	0.0040	0.0017			0.8148	0.0670	0.0687
Total	1.0000	0.4370	1.0000	0.4808	1.0000	0.0822	1.0000

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY 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 2.10 and the average daily system sendout for 2014 of 2.872 MGD. The system demand for fire protection is 3,000 Gallons per minute for 3 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,872,709	0.4370
Maximum Day Extra Capacity	<u>1.10</u>	<u>3,159,980</u>	<u>0.4808</u>
Subtotal	<u><u>2.10</u></u>	6,032,689	0.9178
Fire Protection		<u>540,000</u>	<u>0.0822</u>
Total		<u><u>6,572,689</u></u>	<u><u>1.0000</u></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
JEFFERSON CITY DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2220	(5)	(6)=(5) X 0.4441	(7)	(8)=(7) X 0.3339	(9)=(4)+(6)+(8)
Residential - Rate A	513.2	0.4230	0.0939	0.5278	0.2344			0.3283
Commercial - Rate A	320.9	0.2645	0.0587	0.2631	0.1168			0.1755
Industrial - Rate A	9.8	0.0081	0.0018	0.0043	0.0019			0.0037
Other Public Authority - Rate A	116.5	0.0960	0.0213	0.0959	0.0426			0.0639
Rate J - Large Users	246.9	0.2035	0.0452	0.1089	0.0484			0.0936
Private Fire Protection	1.1	0.0009	0.0002			0.1852	0.0618	0.0620
Public Fire Protection	4.9	0.0040	0.0009			0.8148	0.2721	0.2730
Total	1,213.3	1.0000	0.2220	1.0000	0.4441	1.0000	0.3339	1.0000

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

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY 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 3.00 and the average daily system sendout for 2014 of 2.872 MGD. The system demand for fire protection is 3,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,995	0.2220
Maximum Hour Extra Capacity	<u>2.00</u>	<u>3,990</u>	<u>0.4441</u>
Subtotal	<u>3.00</u>	5,985	0.6661
Fire Protection		<u>3,000</u>	<u>0.3339</u>
Total		<u>8,985</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 100 Gallons	Maximum Hour Extra Capacity		
		Factor*	100 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	513.2	3.5	1,796.2	0.5278
Commercial - Rate A	319.7	2.8	895.3	0.2631
Industrial - Rate A	9.8	1.5	14.7	0.0043
Other Public Authority - Rate A	116.5	2.8	326.2	0.0959
Rate J - Large Users	<u>246.9</u>	1.5	<u>370.4</u>	<u>0.1089</u>
Total	<u>1,206.1</u>		<u>3,402.8</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
JEFFERSON CITY DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X	(5)	(6)=(5) X	(7)	(8)=(7) X	(9)=(4)+(6)+(8)
			0.2133		0.4267		0.3600	
Residential - Rate A	513.2	0.4230	0.0902	0.5278	0.2252			0.3154
Commercial - Rate A	320.9	0.2645	0.0564	0.2631	0.1123			0.1687
Industrial - Rate A	9.8	0.0081	0.0017	0.0043	0.0018			0.0035
Other Public Authority - Rate A	116.5	0.0960	0.0205	0.0959	0.0409			0.0614
Rate J - Large Users	246.9	0.2035	0.0434	0.1089	0.0465			0.0899
Private Fire Protection	1.1	0.0009	0.0002			0.1852	0.0667	0.0669
Public Fire Protection	4.9	0.0040	0.0009			0.8148	0.2933	0.2942
Total	1,213.3	1.0000	0.2133	1.0000	0.4267	1.0000	0.3600	1.0000

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

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

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

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

$$\text{Fire Protection Weight} = \frac{3,000 \text{ GPM} \times 60 \text{ Min.} \times 3 \text{ Hrs.}}{1,500,000 \text{ Gallons}} = 0.3600$$

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

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

	<u>Maximum Hour Ratio</u>	<u>Percent</u>	<u>Weight</u>
Average Hour	1.00	33.33	0.2133
Extra Capacity Maximum Hour	<u>2.00</u>	<u>66.67</u>	<u>0.4267</u>
Total	<u><u>3.00</u></u>	<u><u>100.00</u></u>	<u><u>0.6400</u></u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1632	(4)	(5)=(4)X 0.8368	(6)=(3)+(5)
Residential - Rate A	0.4530	0.0739	0.3283	0.2747	0.3486
Commercial - Rate A	0.2350	0.0384	0.1755	0.1469	0.1853
Industrial - Rate A	0.0072	0.0012	0.0037	0.0031	0.0043
Other Public Authority - Rate A	0.0855	0.0140	0.0639	0.0535	0.0675
Rate J - Large Users	0.1350	0.0220	0.0936	0.0783	0.1003
Private Fire Protection	0.0156	0.0025	0.0620	0.0519	0.0544
Public Fire Protection	0.0687	0.0112	0.2730	0.2284	0.2396
Total	1.0000	0.1632	1.0000	0.8368	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	137,493	0.1632
Distribution Mains	705,103	0.8368
Total	842,596	1.0000

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	9,180	0.7189
Commercial - Rate A	2,544	0.1992
Industrial - Rate A	34	0.0027
Other Public Authority - Rate A	982	0.0769
Rate J - Large Users	<u>30</u>	<u>0.0023</u>
Total	<u><u>12,770</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Rate A								Rate J		Total	
		Residential		Commercial		Industrial		Other Public Authority		Number of Meters	Weighting	Number of Meters	Weighting
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting				
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)
5/8	1.0	8,873	8,873	854	854	3	3	59	59	0	0	9,789	9,789
3/4	2.1	0	0	0	0	0	0	0	0	0	0	0	0
1	2.0	139	278	298	596	2	4	63	126	0	0	502	1,004
1-1/2	3.5	2	7	81	284	0	0	45	158	0	0	128	449
2	4.3	5	22	164	705	2	9	108	464	2	9	281	1,209
3	7.0	0	0	8	56	1	7	13	91	3	21	25	175
4	10.5	0	0	3	32	1	11	8	84	0	0	12	127
6	16.8	0	0	1	17	0	0	0	0	0	0	1	17
8	64.0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>9,019</u>	<u>9,180</u>	<u>1,409</u>	<u>2,544</u>	<u>9</u>	<u>34</u>	<u>296</u>	<u>982</u>	<u>5</u>	<u>30</u>	<u>10,738</u>	<u>12,770</u>

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	9,318	0.6373
Commercial - Rate A	3,039	0.2079
Industrial - Rate A	32	0.0022
Other Public Authority - Rate A	1,147	0.0784
Rate J - Large Users	28	0.0019
Private Fire Protection	<u>1,057</u>	<u>0.0723</u>
Total	<u><u>14,621</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Rate A								Rate J		Private Fire Protection		Total	
		Residential		Commercial		Industrial		Other Public Authority		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting						
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	8,873	8,873	854	854	3	3	59	59	0	0	0	0	9,789	9,789
1	2.94	139	409	298	876	2	6	63	185	0	0	0	0	502	1,476
1-1/2	4.02	2	8	81	326	0	0	45	181	0	0	0	0	128	515
2	5.55	5	28	164	910	2	11	108	599	2	11	7	39	288	1,598
3	5.55	0	0	8	44	1	6	13	72	3	17	1	6	26	145
4	6.37	0	0	3	19	1	6	8	51	0	0	28	178	40	254
6	9.92	0	0	1	10	0	0	0	0	0	0	54	536	55	546
8	9.92	0	0	0	0	0	0	0	0	0	0	24	238	24	238
10	9.92	0	0	0	0	0	0	0	0	0	0	6	60	6	60
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>9,019</u>	<u>9,318</u>	<u>1,409</u>	<u>3,039</u>	<u>9</u>	<u>32</u>	<u>296</u>	<u>1,147</u>	<u>5</u>	<u>28</u>	<u>120</u>	<u>1,057</u>	<u>10,858</u>	<u>14,621</u>

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 10. 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 - Rate A	\$ 14,457	0.4459
Commercial - Rate A	6,125	0.1890
Industrial - Rate A	126	0.0039
Other Public Authority - Rate A	2,268	0.0700
Rate J - Large Users	2,415	0.0745
Private Fire Protection	1,299	0.0401
Public Fire Protection	5,722	0.1766
Total	<u>32,412</u>	<u>1.0000</u>

FACTOR 11. 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 - Rate A	\$ 75,933	0.4175
Commercial - Rate A	34,677	0.1907
Industrial - Rate A	691	0.0038
Other Public Authority - Rate A	12,748	0.0701
Rate J - Large Users	13,963	0.0768
Private Fire Protection	10,672	0.0587
Public Fire Protection	33,171	0.1824
Total	<u>\$181,855</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 12. 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 - Rate A	9,019	0.8276
Commercial - Rate A	1,409	0.1293
Industrial - Rate A	9	0.0008
Other Public Authority - Rate A	296	0.0272
Rate J - Large Users	5	0.0005
Private Fire Protection	159	0.0146
Public Fire Protection	0	0.0000
	<u>10,897</u>	<u>1.0000</u>
Total	<u><u>10,897</u></u>	<u><u>1.0000</u></u>

FACTOR 13. 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 - Rate A	9,019	0.8399
Commercial - Rate A	1,409	0.1312
Industrial - Rate A	9	0.0008
Other Public Authority - Rate A	296	0.0276
Rate J - Large Users	5	0.0005
	<u>10,738</u>	<u>1.0000</u>
Total	<u><u>10,738</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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 - Rate A	\$648,595	0.5610
Commercial - Rate A	229,651	0.1987
Industrial - Rate A	5,250	0.0045
Other Public Authority - Rate A	77,566	0.0671
Rate J - Large Users	95,291	0.0824
Private Fire Protection	26,085	0.0226
Public Fire Protection	73,535	0.0637
	<u>73,535</u>	<u>0.0637</u>
Total	<u>\$1,155,973</u>	<u>1.0000</u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

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

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$1,876,273	0.5448
Commercial - Rate A	719,415	0.2089
Industrial - Rate A	17,459	0.0051
Other Public Authority - Rate A	245,641	0.0713
Rate J - Large Users	349,694	0.1016
Private Fire Protection	62,937	0.0183
Public Fire Protection	172,049	0.0500
	<u>172,049</u>	<u>0.0500</u>
Total	<u>\$3,443,467</u>	1.0000

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

<u>Customer Classification</u> (1)	<u>Direct Labor Expense</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	\$571,605	0.5572
Commercial - Rate A	214,655	0.2092
Industrial - Rate A	5,177	0.0050
Other Public Authority - Rate A	73,769	0.0719
Rate J - Large Users	93,246	0.0909
Private Fire Protection	19,421	0.0189
Public Fire Protection	<u>48,112</u>	<u>0.0469</u>
Total	<u>\$1,025,984</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:

<u>Customer Classification</u> (1)	<u>Original Cost Less Depreciation</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	\$15,022,152	0.4331
Commercial - Rate A	7,013,571	0.2023
Industrial - Rate A	192,898	0.0056
Other Public Authority - Rate A	2,552,902	0.0736
Rate J - Large Users	3,524,991	0.1017
Private Fire Protection	500,122	0.0144
Public Fire Protection	<u>5,869,481</u>	<u>0.1693</u>
Total	<u>\$34,676,117</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY 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 - Rate A	\$12,443,798	0.4341
Commercial - Rate A	5,794,523	0.2022
Industrial - Rate A	158,870	0.0055
Other Public Authority - Rate A	2,108,129	0.0736
Rate J - Large Users	2,908,062	0.1015
Private Fire Protection	417,197	0.0146
Public Fire Protection	4,828,465	0.1685
Total	<u>\$28,659,044</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 - Rate A	\$4,169,595	0.4887
Commercial - Rate A	1,766,147	0.2070
Industrial - Rate A	45,650	0.0054
Other Public Authority - Rate A	624,832	0.0732
Rate J - Large Users	868,803	0.1018
Private Fire Protection	140,855	0.0165
Public Fire Protection	916,690	0.1074
Total	<u>\$8,532,572</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate J (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
RATE BASE									
Organization	17	\$ 5,211	\$ 2,257	\$ 1,054	\$ 29	\$ 384	\$ 530	\$ 75	\$ 882
Land & Ld Rights P	3	944	428	222	7	81	127	15	65
Land & Ld Rights WT	2	70,255	34,671	17,992	555	6,541	10,334	28	133
Land & Ld Rights TD	6	100,265	34,952	18,579	431	6,768	10,057	5,454	24,023
Land & Land Rights AG	14	7,181	4,029	1,427	32	482	592	162	457
Struct & Imp SS	2	893,483	440,934	228,821	7,059	83,183	131,431	357	1,698
Struct & Imp P	3	1,374,133	622,482	322,921	9,894	117,488	185,508	21,436	94,403
Struct & Imp WT	2	1,641,777	810,217	420,459	12,970	152,849	241,505	657	3,119
Struct & Imp TD	6	157,274	54,826	29,143	676	10,616	15,775	8,556	37,683
Struct & Imp AG	6	143,678	50,086	26,624	618	9,698	14,411	7,816	34,425
Struct & Imp Offices	14	98,615	55,323	19,595	444	6,617	8,126	2,229	6,282
Lake, River & Other Intakes	2	6,110,926	3,015,742	1,565,008	48,276	568,927	898,917	2,444	11,611
Supply Mains	2	982,790	485,007	251,692	7,764	91,498	144,568	393	1,867
Power Generation Equip	3	545,028	246,898	128,082	3,924	46,600	73,579	8,502	37,443
Pump Equip Electric	3	4,344,685	1,968,142	1,021,001	31,282	371,471	586,533	67,777	298,480
Pump Equip Hydraulic	3	48,706	22,064	11,446	351	4,164	6,575	760	3,346
Pump Equip Other	3	27,080	12,267	6,364	195	2,315	3,656	422	1,860
WT Equip Non-Media	2	1,699,513	838,710	435,245	13,426	158,225	249,998	680	3,229
WT Equip Filter Media	2	116,483	57,485	29,831	920	10,845	17,135	47	221
Dist Reservoirs & Standpipe	5	36,760	11,594	6,201	129	2,257	3,305	2,459	10,815
Elevated Tanks & Standpipes	5	741,916	234,000	125,161	2,597	45,554	66,698	49,634	218,272
Ground Level Facilities	5	4,790	1,511	808	17	294	431	320	1,409
TD Mains Not Classified by	7	3,215,975	0	0	0	0	0	0	3,215,975
TD Mains 4" & Less	4	166,948	54,809	29,299	618	10,668	15,626	10,351	45,577
TD Mains 6 to 8"	4	2,614,530	858,350	458,850	9,674	167,068	244,720	162,101	713,767
TD Mains 10 to 16"	3	2,433,895	1,102,554	571,965	17,524	208,098	328,576	37,969	167,209
TD Mains 18" & Grtr	3	1,050,629	475,935	246,898	7,565	89,829	141,835	16,390	72,178
Services	9	815,264	519,568	169,493	1,794	63,917	1,549	58,944	0
Meters Bronze Case	8	999,099	718,252	199,020	2,698	76,831	2,298	0	0
Meters Plastic Case	8	35,334	25,402	7,039	95	2,717	81	0	0

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities		Private	Public
			(4)	(5)	(6)	(7)		(9)	(10)
(1)	(2)	(3)				(8)			
Meters Other	8	1,423,952	1,023,679	283,651	3,845	109,502	3,275	0	0
Meters Other-Rem Rdr Units	8	8,209	5,901	1,635	22	631	19	0	0
Meter Installations	8	337,159	242,384	67,162	910	25,928	775	0	0
Hydrants	7	778,405	0	0	0	0	0	0	778,405
Other P/E CPS	14	48,746	27,346	9,686	219	3,271	4,017	1,102	3,105
Office Furniture & Equip	14	(62,293)	(34,946)	(12,378)	(280)	(4,180)	(5,133)	(1,408)	(3,968)
Comp & Periph Equip	14	362,410	203,312	72,011	1,631	24,318	29,863	8,190	23,086
Computer Software	14	123,172	69,099	24,474	554	8,265	10,149	2,784	7,846
Comp Software Mainframe	14	520,325	291,902	103,388	2,341	34,914	42,875	11,759	33,145
Comp Software Mainframe - CIS	12	266,139	220,257	34,412	213	7,239	133	3,886	0
Comp Software Other	14	1,077	604	214	5	72	89	24	69
Trans Equip Lt Duty Trks	14	143,160	80,313	28,446	644	9,606	11,796	3,235	9,119
Trans Equip Hvy Duty Trks	14	4,156	2,331	826	19	279	342	94	265
Trans Equip Autos	14	(27,189)	(15,253)	(5,403)	(122)	(1,824)	(2,240)	(614)	(1,732)
Trans Equip Other	14	27,693	15,536	5,503	125	1,858	2,282	626	1,764
Stores Equipment	14	1,577	885	313	7	106	130	36	100
Tools,Shop,Garage Equip	14	126,232	70,816	25,082	568	8,470	10,402	2,853	8,041
Laboratory Equipment	2	32,648	16,112	8,361	258	3,040	4,803	13	62
Laboratory Equip Other	2	10,266	5,066	2,629	81	956	1,510	4	20
Power Operated Equipment	14	(81,035)	(45,461)	(16,102)	(365)	(5,437)	(6,677)	(1,831)	(5,162)
Comm Equip Non-Telephone	14	9,492	5,325	1,886	43	637	782	215	605
Remote Control & Instr	14	20,749	11,640	4,123	93	1,392	1,710	469	1,322
Comm Equip Telephone	14	(13)	(7)	(2)	(0)	(1)	(1)	(0)	(1)
Misc Equipment	14	123,126	69,074	24,465	554	8,262	10,146	2,783	7,843
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		34,681,329	15,024,409	7,014,626	192,927	2,553,286	3,525,521	500,197	5,870,363

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Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate J (8)	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)		Private (9)	Public (10)
Other Rate Base Items									
Add:									
Materials and Supplies	14	179,823	100,881	35,731	809	12,066	14,817	4,064	11,455
Prepayments	14	45,956	25,781	9,131	207	3,084	3,787	1,039	2,927
Pension / OPEB Tracker	16	332,152	185,075	69,486	1,661	23,882	30,193	6,278	15,578
Tank Painting Tracker	5	33,722	10,636	5,689	118	2,071	3,032	2,256	9,921
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(6,303,805)	(2,730,178)	(1,275,260)	(35,301)	(463,960)	(641,097)	(90,775)	(1,067,234)
Pensions	16	(310,133)	(172,806)	(64,880)	(1,551)	(22,299)	(28,191)	(5,862)	(14,545)
Total Other Rate Base Elements		<u>(6,022,285)</u>	<u>(2,580,611)</u>	<u>(1,220,102)</u>	<u>(34,057)</u>	<u>(445,157)</u>	<u>(617,460)</u>	<u>(83,000)</u>	<u>(1,041,898)</u>
Total Original Cost Measure of Value		<u>\$ 28,659,044</u>	<u>\$ 12,443,798</u>	<u>\$ 5,794,523</u>	<u>\$ 158,870</u>	<u>\$ 2,108,129</u>	<u>\$ 2,908,062</u>	<u>\$ 417,197</u>	<u>\$ 4,828,465</u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	9,180	0.7189
Commercial - Rate A	2,544	0.1992
Industrial - Rate A	34	0.0027
Other Public Authority - Rate A	982	0.0769
Rate J - Large Users	30	0.0023
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>12,770</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1999-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1999	3.810	6.500	1.71	7/22/1999
2000	4.101	5.690	1.39	7/11/2000
2001	3.739	5.240	1.40	8/21/2001
2002	3.861	5.980	1.55	8/5/2002
2003	4.171	6.990	1.68	8/17/2003
2004	4.042	5.760	1.42	7/22/2004
2005	4.270	6.348	1.49	8/2/2005
2006	4.040	6.830	1.69	8/1/2006
2007	3.840	6.260	1.63	8/9/2007
2008	3.523	5.199	1.48	7/21/2008
2009	3.466	4.830	1.39	6/22/2009
2010	3.583	5.087	1.42	8/11/2010
2011	2.916	5.641	1.93	8/2/2011
2012	2.973	6.236	2.10	7/25/2012
2013	2.892	5.424	1.88	8/26/2013
2014	2.873	5.151	1.79	7/28/2014

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY 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	7	28	
3 -inch	9.00	1	9	
4 -inch	16.00	28	448	
6 -inch	36.00	54	1,944	
8 -inch	64.00	24	1,536	
10 -inch	100.00	6	600	
12 -inch	144.00	0	0	
Private Hydrants	26.50	39	1,034	
Total Private Fire Protection		159	5,599	0.1852
<u>PUBLIC FIRE PROTECTION</u>				
Hydrant	Nozzle Sizes			
5 1/4" Valve	2- 2-1/2" & 1- 4.5"	26.50	925	24,513
4 1/2" Valve	1- 2-1/2"	12.50	10	125
Total Public Fire Protection		935	24,638	0.8148
Total Fire Protection		1,094	30,237	1.0000

MISSOURI AMERICAN WATER
 JEFFERSON CITY DISTRICT
 CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
 INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	\$ 450,600	12,740 5/8 Equivalents	\$ 2.95
Services	314,890	13,536 3/4 Equivalents	1.94
Billing/Collecting	<u>1,021,800</u>	128,856 Bills	<u>7.93</u>
Subtotal	1,787,290		12.82
Unrecovered Public Fire	<u>917,364</u>	12,740 5/8 Equivalents	6.00
Total	<u><u>\$ 2,704,654</u></u>		<u><u>\$ 18.82</u></u>

JOPLIN DISTRICT

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
	Residential	\$ 9,931,121	48.8%	\$ 9,969,677	52.8%	\$ 9,607,246	49.3%	\$ (362,431)
Commercial	3,529,596	17.4%	3,553,293	18.8%	3,853,162	19.8%	299,869	8.4%
Industrial	1,756,485	8.6%	1,047,017	5.6%	2,203,708	11.3%	1,156,691	110.5%
Public Authority	<u>358,845</u>	<u>1.8%</u>	<u>371,574</u>	<u>2.0%</u>	<u>407,054</u>	<u>2.1%</u>	<u>35,480</u>	<u>9.5%</u>
Total Rate A	15,576,047	76.6%	14,941,561	79.2%	16,071,170	82.5%	1,129,609	7.6%
Sales for Resale - Rate E	1,026,902	5.1%	658,745	3.5%	649,866	3.3%	(8,879)	-1.3%
Rate J - Large Users	3,273,200	16.1%	2,428,659	12.9%	2,097,366	10.8%	(331,293)	-13.6%
Private Fire Service	445,340	2.2%	831,879	4.4%	656,832	3.4%	(175,047)	-21.0%
Public Fire Service	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>-</u>
Total Sales	20,321,488	<u>100.0%</u>	18,860,844	<u>100.0%</u>	19,475,234	<u>100.0%</u>	614,390	3.3%
Other Revenues	<u>\$ 265,146</u>		<u>\$ 265,146</u>		<u>\$ 265,146</u>		<u>-</u>	0.0%
Total	<u>\$ 20,586,634</u>		<u>\$ 19,125,990</u>		<u>\$ 19,740,380</u>		<u>\$ 614,390</u>	3.2%

JOP-1

Schedule A-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection		
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large User (9)	Private (10)	Public (11)	
OPERATION AND MAINTENANCE EXPENSES											
SOURCE OF SUPPLY EXPENSES											
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	113,647	41,913	21,025	13,433	2,137	7,933	26,798	136	273	
Purchased Water	1	0	0	0	0	0	0	0	0	0	
TOTAL SS EXPENSE - OPERATION		113,647	41,913	21,025	13,433	2,137	7,933	26,798	136	273	
Misc Exp Oper SS	2	390,514	144,021	72,245	46,159	7,342	27,258	92,083	469	937	
Lake, River & Oth Maint SS - Labor	2	1	0	0	0	0	0	0	0	0	
Wells & Springs Maint SS - Labor	2	7	2	1	1	0	0	2	0	0	
Infil Gall & Tunnels Maint SS - Labor	2	36	13	7	4	1	3	9	0	0	
Infil Gall & Tunnels Maint SS	2	5	2	1	1	0	0	1	0	0	
Supply Mains Maint SS - Labor	2	9	3	2	1	0	1	2	0	0	
Misc Plant Maint SS - Labor	2	6,532	2,409	1,208	772	123	456	1,540	8	16	
Misc Plant Maint SS	2	2,149	793	398	254	40	150	507	3	5	
TOTAL SS EXPENSE - MAINTENANCE		399,254	147,245	73,862	47,192	7,506	27,868	94,144	479	958	
TOTAL SS EXPENSE		512,901	189,158	94,887	60,625	9,643	35,800	120,942	615	1,231	
POWER AND PUMPING EXPENSES											
Super & Eng Oper P	3	68,454	24,055	12,069	7,708	1,225	4,552	15,382	1,177	2,286	
Fuel for Power Prod	1	2,255	701	391	300	40	166	642	5	9	
Purch Fuel/Power for Pump	1	406,963	126,566	70,567	54,208	7,163	29,993	115,944	855	1,669	
Labor & Exp Oper Pump - Labor	3	379,348	133,303	66,879	42,715	6,790	25,227	85,240	6,525	12,670	
Labor & Exp Oper Pump	3	515	181	91	58	9	34	116	9	17	
Misc Exp Oper P	3	5,512	1,937	972	621	99	367	1,239	95	184	
Rents Oper P	3	732	257	129	82	13	49	164	13	24	
TOTAL PUMPING EXPENSE - OPERATION		863,780	287,000	151,098	105,692	15,339	60,388	218,726	8,678	16,860	

JOP-2

Schedule B-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Super & Eng Maint P	3	48,085	16,897	8,477	5,414	861	3,198	10,805	827	1,606
Struct & Improve Maint P - Labor	3	15	5	3	2	0	1	3	0	0
Struct & Improve Maint P	3	16,987	5,969	2,995	1,913	304	1,130	3,817	292	567
Pump Equip Maint P - Labor	3	46,154	16,219	8,137	5,197	826	3,069	10,371	794	1,542
Pump Equip Maint P	3	26,156	9,191	4,611	2,945	468	1,739	5,877	450	874
TOTAL PUMPING EXPENSES - MAINTENANCE		137,397	48,281	24,223	15,471	2,459	9,137	30,873	2,363	4,589
TOTAL PUMPING EXPENSES		1,001,177	335,281	175,321	121,162	17,798	69,525	249,600	11,041	21,449
WATER TREATMENT										
Super & Eng Oper WT	2	42,677	15,739	7,895	5,044	802	2,979	10,063	51	102
Chemicals	1	317,740	98,817	55,096	42,323	5,592	23,417	90,524	667	1,303
Labor & Exp Oper WT	2	19,259	7,103	3,563	2,276	362	1,344	4,541	23	46
Misc Exp Oper WT	2	400,124	147,566	74,023	47,295	7,522	27,929	94,349	480	960
Misc Exp Oper WT - Waste Disposal	1	55,940	17,397	9,700	7,451	985	4,123	15,937	117	229
Rents Oper WT	2	11	4	2	1	0	1	3	0	0
TOTAL WT EXPENSE - OPERATION		835,751	286,626	150,279	104,391	15,264	59,793	215,418	1,339	2,641
Super & Eng Maint WT	2	73,495	27,105	13,597	8,687	1,382	5,130	17,330	88	176
WT Equip Maint WT - Labor	2	191	70	35	23	4	13	45	0	0
WT Equip Maint WT	2	19,301	7,118	3,571	2,281	363	1,347	4,551	23	46
TOTAL WT EXPENSE - MAINTENANCE		92,987	34,294	17,203	10,991	1,748	6,490	21,926	112	223
TOTAL WT EXPENSE		928,738	320,920	167,482	115,382	17,012	66,283	237,344	1,451	2,864
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	10	0	0	0	0	0	0	0	0	0
TD Lines Exp - Labor	6	548	191	92	51	9	32	71	34	67
TD Lines Exp	6	3,054	1,065	514	284	52	180	394	192	372
Meter Expense - Labor	8	226,761	176,738	38,595	3,606	5,147	1,293	1,383	0	0
Meter Expense	8	4,500	3,507	766	72	102	26	27	0	0
Misc Exp Oper TD - Labor	10	11,264	8,704	1,917	193	255	73	90	11	21

JOP-3

Schedule B-JOP

MISSOURI-AMERICAN WATER COMPANY

JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
			(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Misc Exp Oper TD	10	53,319	41,200	9,075	912	1,205	347	427	53	101
Rents Oper TD	10	0	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		299,446	231,404	50,959	5,116	6,771	1,951	2,392	291	561
Super & Eng Maint TD	11	0	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	11	9	3	2	1	0	1	1	1	1
TD Main Maint TD - Labor	6	194,167	67,706	32,698	18,058	3,320	11,475	25,067	12,213	23,630
TD Main Maint TD	6	31,461	10,970	5,298	2,926	538	1,859	4,062	1,979	3,829
Fire Main Maint TD - Labor	7	64	0	0	0	0	0	0	0	64
Services Maint TD - Labor	9	1,574	1,079	253	16	23	2	8	195	0
Meters Maint TD - Labor	8	8,037	6,264	1,368	128	182	46	49	0	0
Meters Maint TD	8	1,011	788	172	16	23	6	6	0	0
Hydrants Maint TD - Labor	7	1,216	0	0	0	0	0	0	0	1,216
Misc Plant Maint TD - Labor	11	2,475	904	415	220	43	140	304	150	299
Misc Maint TD	11	155,106	56,676	25,980	13,804	2,668	8,748	19,063	9,399	18,768
Amort Def Maint TD	5	0	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		395,121	144,391	66,185	35,168	6,797	22,276	48,560	23,937	47,808
TOTAL T & D EXPENSE		694,567	375,795	117,144	40,285	13,568	24,227	50,952	24,228	48,369
CUSTOMER ACCOUNTS										
Supervision CA	12	0	0	0	0	0	0	0	0	0
Meter Reading Exp CA - Labor	13	225,032	197,758	24,731	833	1,350	68	293	0	0
Cust Rec & Collection CA - Labor	12	1,755	1,508	189	6	10	0	2	39	0
Cust Rec & Collection CA	12	182,380	156,756	19,606	657	1,076	36	219	4,031	0
Uncollectible Accts	12	276,499	237,651	29,724	995	1,631	55	332	6,111	0
Misc Cust Accts Exp CA - Labor	12	206	177	22	1	1	0	0	5	0
Misc Cust Accts Exp CA	12	1,570	1,349	169	6	9	0	2	35	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		687,441	595,199	74,440	2,497	4,078	160	847	10,219	0

JOP-4

Schedule B-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	14	996,657	515,371	161,658	77,241	15,847	45,348	143,020	15,050	23,122
Other Supplies & Exp AG	14	113,647	58,767	18,434	8,808	1,807	5,171	16,308	1,716	2,637
Mgmt Fees-Admin	14	1,404,493	726,263	227,809	108,848	22,331	63,904	201,545	21,208	32,584
Mgmt Fees-Customer Service	12	258,009	221,759	27,736	929	1,522	52	310	5,702	0
Mgmt Fees-Belleville Lab	2	8,100	2,987	1,498	957	152	565	1,910	10	19
Mgmt Fees- Employee	16	87,380	45,368	14,234	6,580	1,433	3,862	12,015	1,389	2,499
Outside Services AG	14	90,320	46,704	14,650	7,000	1,436	4,110	12,961	1,364	2,095
Outside Services AG	14	0	0	0	0	0	0	0	0	0
Property Insurance	14	0	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	14	204,369	105,679	33,149	15,839	3,249	9,299	29,327	3,086	4,741
Ins Work Comp AG	16	65,443	33,978	10,661	4,928	1,073	2,893	8,998	1,041	1,872
Ins Other Oper AG	14	29,113	15,054	4,722	2,256	463	1,325	4,178	440	675
Ins Vehicle	14	8,746	4,523	1,419	678	139	398	1,255	132	203
Injuries & Damages	16	3,488	1,811	568	263	57	154	480	55	100
Employee Pension & Benefits	16	734,961	381,592	119,725	55,343	12,053	32,485	101,057	11,686	21,020
Reg Commision Exp	19	55,281	25,567	9,287	4,749	934	2,792	8,895	1,211	1,846
Rents AG	14	42,844	22,155	6,949	3,320	681	1,949	6,148	647	994
Goodwill Advertising Exp	14	1,147	593	186	89	18	52	165	17	27
Misc Exp AG	14	143,777	74,347	23,321	11,143	2,286	6,542	20,632	2,171	3,336
Research & Development	14	5,191	2,684	842	402	83	236	745	78	120
TOTAL A & G OPERATIONS		4,252,965	2,285,203	676,847	309,371	65,566	181,137	569,948	67,002	97,891
General Plant Maint AG	14	41,165	21,286	6,677	3,190	655	1,873	5,907	622	955
TOTAL A & G EXPENSE - MAINTENANCE		41,165	21,286	6,677	3,190	655	1,873	5,907	622	955
TOTAL A & G EXPENSE		4,294,130	2,306,489	683,524	312,561	66,221	183,010	575,855	67,624	98,846
Total Operation & Maintenance Expenses		8,118,955	4,122,842	1,312,798	652,513	128,320	379,005	1,235,540	115,178	172,759

JOP-5

Schedule B-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
DEPRECIATION EXPENSE										
Struct & Imp SS	2	112,066	41,330	20,732	13,246	2,107	7,822	26,425	134	269
Struct & Imp P	6	27,623	9,632	4,652	2,569	472	1,633	3,566	1,737	3,362
Struct & Imp WT	2	330,190	121,774	61,085	39,028	6,208	23,047	77,859	396	792
Struct & Imp TD	6	11,566	4,033	1,948	1,076	198	684	1,493	728	1,408
Struct & Imp AG	14	20,376	10,536	3,305	1,579	324	927	2,924	308	473
Struct & Imp Offices	14	13,256	6,855	2,150	1,027	211	603	1,902	200	308
Struct & Imp Leasehold	14	341	176	55	26	5	16	49	5	8
Struct & Imp Store,Shop,Gar	14	52,479	27,137	8,512	4,067	834	2,388	7,531	792	1,218
Struct & Imp Misc	14	1,365	706	221	106	22	62	196	21	32
Collect & Impounding	1	413	128	72	55	7	30	118	1	2
Lake, River & Other Intakes	2	22,234	8,200	4,113	2,628	418	1,552	5,243	27	53
Wells & Springs	2	89,660	33,067	16,587	10,598	1,686	6,258	21,142	108	215
Supply Mains	2	58,839	21,700	10,885	6,955	1,106	4,107	13,874	71	141
Power Generation Equip	3	21,415	7,525	3,775	2,411	383	1,424	4,812	368	715
Pump Equip Electric	3	85,837	30,163	15,133	9,665	1,536	5,708	19,288	1,476	2,867
Pump Equip Diesel	3	1,337	470	236	151	24	89	300	23	45
Pump Equip Steam	3	202	71	36	23	4	13	45	3	7
Pump Equip Hydraulic	3	513	180	90	58	9	34	115	9	17
Pump Equip Other	3	3,861	1,357	681	435	69	257	868	66	129
WT Equip Non-Media	2	440,041	162,287	81,408	52,013	8,273	30,715	103,762	528	1,056
WT Equip Filter Media	2	5,013	1,849	927	593	94	350	1,182	6	12
Dist Reservoirs & Standpipe	5	65,595	21,246	10,226	5,543	1,043	3,555	11,840	4,132	8,009
Elevated Tanks & Standpipes	5	51,936	16,822	8,097	4,389	826	2,815	9,374	3,272	6,341
Ground Level Facilities	5	173	56	27	15	3	9	31	11	21
Clearwells	5	2,741	888	427	232	44	149	495	173	335
TD Mains Not Classified by	6	36,529	12,738	6,151	3,397	625	2,159	4,716	2,298	4,446
TD Mains 4" & Less	4	60,902	21,212	10,146	5,402	1,029	3,496	6,584	4,440	8,593
TD Mains 6 to 8"	4	57,671	20,087	9,608	5,115	975	3,310	6,234	4,204	8,137
TD Mains 10 to 16"	3	252,995	88,902	44,603	28,487	4,529	16,824	56,848	4,352	8,450

JOP-6

Schedule B-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
			(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TD Mains 18" & Grtr	3	13,608	4,782	2,399	1,532	244	905	3,058	234	455
Fire Mains	7	85	0	0	0	0	0	0	0	85
Services	9	349,608	239,586	56,147	3,461	4,999	454	1,748	43,212	0
Meters Bronze Case	8	62,065	48,373	10,563	987	1,409	354	379	0	0
Meters Plastic Case	8	16,953	13,213	2,885	270	385	97	103	0	0
Meters Other	8	12,348	9,624	2,102	196	280	70	75	0	0
Meters Other-Rem Rdr Unts	8	5,471	4,264	931	87	124	31	33	0	0
Meter Installations	8	91,033	70,951	15,494	1,447	2,066	519	555	0	0
Meter Vaults	8	27	21	5	0	1	0	0	0	0
Hydrants	7	25,056	0	0	0	0	0	0	0	25,056
Other P/E CPS	14	3,770	1,949	611	292	60	172	541	57	87
Office Furniture & Equip	14	2,326	1,203	377	180	37	106	334	35	54
Comp & Periph Equip	14	108,874	56,299	17,659	8,438	1,731	4,954	15,623	1,644	2,526
Computer Software	14	21,278	11,003	3,451	1,649	338	968	3,053	321	494
Comp Software Mainframe	14	163,588	84,591	26,534	12,678	2,601	7,443	23,475	2,470	3,795
Comp Software Mainframe - CIS	12	83,673	71,917	8,995	301	494	17	100	1,849	0
Comp Software Other	14	214	111	35	17	3	10	31	3	5
Data Handling Equipment	14	145	75	24	11	2	7	21	2	3
Other Office Equipment	14	1,282	663	208	99	20	58	184	19	30
Trans Equip Lt Duty Trks	14	29,110	15,053	4,722	2,256	463	1,325	4,177	440	675
Trans Equip Other	14	5,724	2,960	928	444	91	260	821	86	133
Stores Equipment	14	2,968	1,535	481	230	47	135	426	45	69
Tools,Shop,Garage Equip	14	38,806	20,067	6,294	3,007	617	1,766	5,569	586	900
Laboratory Equipment	2	10,094	3,723	1,867	1,193	190	705	2,380	12	24
Laboratory Equip Other	2	245	90	45	29	5	17	58	0	1
Power Operated Equipment	14	4,807	2,486	780	373	76	219	690	73	112
Comm Equip Non-Telephone	14	6,712	3,471	1,089	520	107	305	963	101	156
Remote Control & Instr	14	24,734	12,790	4,012	1,917	393	1,125	3,549	373	574
Comm Equip Telephone	14	4,048	2,093	657	314	64	184	581	61	94
Misc Equipment	14	6,360	3,289	1,032	493	101	289	913	96	148
Other Tangible Property	14	135	70	22	10	2	6	19	2	3
Total Depreciation Expense		2,922,319	1,357,380	496,240	243,321	50,015	142,537	458,276	81,612	92,938

JOP-7

Schedule B-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large User (9)	Private (10)	Public (11)
Amort-Other UP	18	12,681	5,335	2,194	1,164	226	692	2,158	342	569
Amort-UPAA	2	2,154	794	398	255	40	150	508	3	5
Amort-Property Losses	2	12,627	4,657	2,336	1,493	237	881	2,977	15	30
Taxes Other Than Income										
Utility Reg Assessment Fee	19	173,582	80,282	29,162	14,911	2,934	8,766	27,929	3,801	5,798
Property Taxes	18	621,916	261,640	107,591	57,092	11,070	33,957	105,850	16,792	27,924
Payroll Taxes	16	174,548	90,625	28,434	13,143	2,863	7,715	24,000	2,775	4,992
Other Taxes & Licenses	14	13,783	7,127	2,236	1,068	219	627	1,978	208	320
Total Taxes, Other Than Income		<u>983,829</u>	<u>439,674</u>	<u>167,423</u>	<u>86,214</u>	<u>17,085</u>	<u>51,065</u>	<u>159,758</u>	<u>23,577</u>	<u>39,034</u>
Income Taxes	18	2,646,249	1,113,277	457,801	242,926	47,103	144,485	450,392	71,449	118,817
Utility Income Available for Return	18	<u>5,887,821</u>	<u>2,477,006</u>	<u>1,018,593</u>	<u>540,502</u>	<u>104,803</u>	<u>321,475</u>	<u>1,002,107</u>	<u>158,971</u>	<u>264,363</u>
Total Cost of Service		20,586,634	9,520,966	3,457,783	1,768,387	347,830	1,040,292	3,311,716	451,147	688,515
Less: Other Water Revenues	19	265,146	122,630	44,545	22,776	4,481	13,390	42,662	5,807	8,856
Total Cost of Service Related to Sales of Water		<u>\$ 20,321,488</u>	<u>\$ 9,398,336</u>	<u>\$ 3,413,238</u>	<u>\$ 1,745,611</u>	<u>\$ 343,349</u>	<u>\$ 1,026,902</u>	<u>\$ 3,269,054</u>	<u>\$ 445,340</u>	<u>\$ 679,659</u>
Reallocation of Public Fire	20	(0)	532,785	116,358	10,875	15,496	0	4,146	0	(679,659)
Total		<u>\$ 20,321,488</u>	<u>\$ 9,931,121</u>	<u>\$ 3,529,596</u>	<u>\$ 1,756,485</u>	<u>\$ 358,845</u>	<u>\$ 1,026,902</u>	<u>\$ 3,273,200</u>	<u>\$ 445,340</u>	<u>\$ -</u>

JOP-8

Schedule B-JOP

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

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

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

Customer Classification (1)	Average Daily Consumption, 100 gallons (2)	Allocation Factor (3)
Residential - Rate A	32,227	0.3110
Commercial - Rate A	17,974	0.1734
Industrial - Rate A	13,811	0.1332
Other Public Authority - Rate A	1,823	0.0176
Sales for Resale - Rate B	7,637	0.0737
Rate J - Large User	29,533	0.2849
Private Fire Protection	219	0.0021
Public Fire Protection	424	0.0041
Total	103,648	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 (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.5882	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.4118	
Residential - Rate A	0.3110	0.1829	0.4516	0.1859	0.3688
Commercial - Rate A	0.1734	0.1020	0.2015	0.0830	0.1850
Industrial - Rate A	0.1332	0.0783	0.0968	0.0399	0.1182
Other Public Authority - Rate A	0.0176	0.0104	0.0204	0.0084	0.0188
Sales for Resale - Rate B	0.0737	0.0434	0.0642	0.0264	0.0698
Rate J - Large User	0.2849	0.1676	0.1655	0.0682	0.2358
Private Fire Protection	0.0021	0.0012			0.0012
Public Fire Protection	0.0041	0.0024			0.0024
Total	1.0000	0.5882	1.0000	0.4118	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
JOPLIN DISTRICT

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

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

Customer Classification	Average Daily Consumption, 100 gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	32,227	1.0	32,227	0.4516
Commercial - Rate A	17,974	0.8	14,379	0.2015
Industrial - Rate A	13,811	0.5	6,906	0.0968
Other Public Authority - Rate A	1,823	0.8	1,458	0.0204
Sales for Resale - Rate B	7,637	0.6	4,582	0.0642
Rate J - Large User	29,533	0.4	11,813	0.1655
Total	73,472		71,365	1.0000

The weighting of the factors is based on the maximum day ratio of 1.70, based on a review of maximum day ratios experienced during the period 1990 through 2014 (see Schedule D).

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

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.5604	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.3925	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0471	
Residential - Rate A	0.3110	0.1742	0.4516	0.1772			0.3514
Commercial - Rate A	0.1734	0.0972	0.2015	0.0791			0.1763
Industrial - Rate A	0.1332	0.0746	0.0968	0.0380			0.1126
Other Public Authority - Rate A	0.0176	0.0099	0.0204	0.0080			0.0179
Sales for Resale - Rate B	0.0737	0.0413	0.0642	0.0252			0.0665
Rate J - Large User	0.2849	0.1597	0.1655	0.0650			0.2247
Private Fire Protection	0.0021	0.0012			0.3404	0.0160	0.0172
Public Fire Protection	0.0041	0.0023			0.6596	0.0311	0.0334
Total	1.0000	0.5604	1.0000	0.3925	1.0000	0.0471	1.0000

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.70 and the average daily system sendout for 2014 of 12.85 MGD. The system demand for fire protection is 6,000 Gallons per minute for 3 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	12,846,712	0.5604
Maximum Day Extra Capacity	<u>0.70</u>	<u>8,992,699</u>	<u>0.3925</u>
Subtotal	<u><u>1.70</u></u>	21,839,411	0.9529
Fire Protection		<u>1,080,000</u>	<u>0.0471</u>
Total		<u><u>22,919,411</u></u>	<u><u>1.0000</u></u>

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

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X	(5)	(6)=(5) X	(7)	(8)=(7) X	(9)=(4)+(6)+(8)
			0.3152		0.4728		0.2120	
Residential - Rate A	1,342.8	0.3204	0.1010	0.5230	0.2473			0.3483
Commercial - Rate A	748.9	0.1786	0.0563	0.2333	0.1103			0.1666
Industrial - Rate A	575.5	0.1373	0.0433	0.0961	0.0454			0.0887
Other Public Authority - Rate A	76.0	0.0181	0.0057	0.0237	0.0112			0.0169
Sales for Resale - Rate B	318.2	0.0759	0.0239	0.0708	0.0335			0.0574
Rate J - Large User	1,103.9	0.2633	0.0830	0.0531	0.0251			0.1081
Private Fire Protection	9.1	0.0022	0.0007			0.3404	0.0722	0.0729
Public Fire Protection	17.7	0.0042	0.0013			0.6596	0.1398	0.1411
Total	4,192.1	1.0000	0.3152	1.0000	0.4728	1.0000	0.2120	1.0000

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

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.5 and the average daily system sendout for 2014 of 12.85 MGD. The system demand for fire protection is 6,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	8,921	0.3152
Maximum Hour Extra Capacity	<u>1.50</u>	<u>13,382</u>	<u>0.4728</u>
Subtotal	<u><u>2.50</u></u>	22,303	0.7880
Fire Protection		<u>6,000</u>	<u>0.2120</u>
Total		<u><u>28,303</u></u>	<u><u>1.0000</u></u>

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

Customer Classification	Average Hourly Consumption 100 Gallons	Maximum Hour Extra Capacity		
		Factor*	100 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	1,342.8	3.5	4,699.8	0.5230
Commercial - Rate A	748.9	2.8	2,096.9	0.2333
Industrial - Rate A	575.5	1.5	863.3	0.0961
Other Public Authority - Rate A	76.0	2.8	212.8	0.0237
Sales for Resale - Rate B	318.2	2.0	636.4	0.0708
Rate J - Large User	<u>318.2</u>	1.5	<u>477.3</u>	<u>0.0531</u>
Total	<u><u>3,379.6</u></u>		<u><u>8,986.5</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3268	(5)	(6)=(5) X 0.4901	(7)	(8)=(7) X 0.1831	(9)=(4)+(6)+(8)
Residential - Rate A	1,342.8	0.3109	0.1015	0.4537	0.2224			0.3239
Commercial - Rate A	748.9	0.1734	0.0567	0.2025	0.0992			0.1559
Industrial - Rate A	575.5	0.1333	0.0436	0.0834	0.0409			0.0845
Other Public Authority - Rate A	76.0	0.0176	0.0058	0.0206	0.0101			0.0159
Sales for Resale - Rate B	318.2	0.0737	0.0241	0.0615	0.0301			0.0542
Rate J - Large User	1,230.5	0.2849	0.0931	0.1783	0.0874			0.1805
Private Fire Protection	9.1	0.0021	0.0007			0.3404	0.0623	0.0630
Public Fire Protection	17.7	0.0041	0.0013			0.6596	0.1208	0.1221
Total	4,318.7	1.0000	0.3268	1.0000	0.4901	1.0000	0.1831	1.0000

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

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

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

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

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

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

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	40.00	0.3268
Extra Capacity Maximum Hour	<u>1.50</u>	<u>60.00</u>	<u>0.4901</u>
Total	<u><u>2.50</u></u>	<u><u>100.00</u></u>	<u><u>0.8169</u></u>

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 - Rate A	1,342.8	3.5	4,699.8	0.4537
Commercial - Rate A	748.9	2.8	2,096.9	0.2025
Industrial - Rate A	575.5	1.5	863.3	0.0834
Other Public Authority - Rate A	76.0	2.8	212.8	0.0206
Sales for Resale - Rate B	318.2	2.0	636.4	0.0615
Rate J - Large User	<u>1,230.5</u>	1.5	<u>1,845.8</u>	<u>0.1783</u>
Total	<u><u>4,291.9</u></u>		<u><u>10,355.0</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 5, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1797	(4)	(5)=(4)X 0.8203	(6)=(3)+(5)
Residential - Rate A	0.3514	0.0631	0.3483	0.2856	0.3487
Commercial - Rate A	0.1763	0.0317	0.1666	0.1367	0.1684
Industrial - Rate A	0.1126	0.0202	0.0887	0.0728	0.0930
Other Public Authority - Rate A	0.0179	0.0032	0.0169	0.0139	0.0171
Sales for Resale - Rate B	0.0665	0.0120	0.0574	0.0471	0.0591
Rate J - Large User	0.2247	0.0404	0.1081	0.0887	0.1291
Private Fire Protection	0.0172	0.0031	0.0729	0.0598	0.0629
Public Fire Protection	0.0334	0.0060	0.1411	0.1157	0.1217
Total	1.0000	0.1797	1.0000	0.8203	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	476,836	0.1797
Distribution Mains	2,176,546	0.8203
Total	2,653,382	1.0000

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	23,103	0.7794
Commercial - Rate A	5,045	0.1702
Industrial - Rate A	471	0.0159
Other Public Authority - Rate A	673	0.0227
Sales for Resale - Rate B	168	0.0057
Rate J - Large User	180	0.0061
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>29,640</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Rate A								Rate B		Rate J		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Rate J		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Meters	Weighting (10)=(2)X(9)	Number of Meters	Weighting (12)=(2)X(11)	Number of Meters	Weighting (14)=(2)X(13)	Number of Meters	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(15)	(16)
5/8	1.0	18,296	18,296	1,530	1,530	30	30	41	41	0	0	3	3	19,900	19,900
3/4	2.1	0	0	1	2	1	2	0	0	0	0	0	0	2	4
1	2.0	2,315	4,630	563	1,126	8	16	35	70	1	2	6	12	2,928	5,856
1-1/2	3.5	4	14	9	32	0	0	1	4	0	0	0	0	14	50
2	4.3	38	163	448	1,926	29	125	53	228	1	4	12	52	581	2,498
3	7.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	10.5	0	0	22	231	11	116	7	74	0	0	6	63	46	484
6	16.8	0	0	8	134	7	118	0	0	2	34	3	50	20	336
8	64.0	0	0	1	64	1	64	4	256	2	128	0	0	8	512
Total		<u>20,653</u>	<u>23,103</u>	<u>2,582</u>	<u>5,045</u>	<u>87</u>	<u>471</u>	<u>141</u>	<u>673</u>	<u>6</u>	<u>168</u>	<u>30</u>	<u>180</u>	<u>23,499</u>	<u>29,640</u>

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	25,329	0.6853
Commercial - Rate A	5,937	0.1606
Industrial - Rate A	365	0.0099
Other Public Authority - Rate A	527	0.0143
Sales for Resale - Rate B	49	0.0013
Rate J - Large User	184	0.0050
Private Fire Protection	<u>4,570</u>	<u>0.1236</u>
Total	<u><u>36,961</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Rate A								Rate B		Rate J		Private Fire Protection		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Number of		Number of		Number of	
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Services	Weighting	Services	Weighting	Services	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(10)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	18,296	18,296	1,531	1,531	31	31	41	41	0	0	3	3	0	0	19,902	19,902
1	2.94	2,315	6,806	563	1,655	8	24	35	103	1	3	0	0	0	0	2,922	8,591
1-1/2	4.02	4	16	9	36	0	0	1	4	0	0	6	24	0	0	20	80
2	5.55	38	211	448	2,486	29	161	53	294	1	6	0	0	16	89	585	3,247
3	5.55	0	0	0	0	0	0	0	0	0	0	12	67	1	6	13	73
4	6.37	0	0	22	140	11	70	7	45	0	0	0	0	106	675	146	930
6	9.92	0	0	8	79	7	69	0	0	2	20	6	60	221	2,192	244	2,420
8	9.92	0	0	1	10	1	10	4	40	2	20	3	30	148	1,468	159	1,578
10	9.92	0	0	0	0	0	0	0	0	0	0	0	0	8	79	8	79
12	12.16	0	0	0	0	0	0	0	0	0	0	30	0	5	61	35	61
Total		<u>20,653</u>	<u>25,329</u>	<u>2,582</u>	<u>5,937</u>	<u>87</u>	<u>365</u>	<u>141</u>	<u>527</u>	<u>6</u>	<u>49</u>	<u>60</u>	<u>184</u>	<u>505</u>	<u>4,570</u>	<u>24,034</u>	<u>36,961</u>

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 10. 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 - Rate A	\$ 181,501	0.7727
Commercial - Rate A	39,967	0.1702
Industrial - Rate A	4,012	0.0171
Other Public Authority - Rate A	5,311	0.0226
Sales for Resale - Rate B	1,531	0.0065
Rate J - Large User	1,876	0.0080
Private Fire Protection	227	0.0010
Public Fire Protection	438	0.0019
Total	<u>234,863</u>	<u>1.0000</u>

FACTOR 11. 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 - Rate A	\$ 86,807	0.3654
Commercial - Rate A	39,789	0.1675
Industrial - Rate A	21,143	0.0890
Other Public Authority - Rate A	4,086	0.0172
Sales for Resale - Rate B	13,388	0.0564
Rate J - Large User	29,192	0.1229
Private Fire Protection	14,387	0.0606
Public Fire Protection	28,739	0.1210
Total	<u>\$237,531</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 12. 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 - Rate A	20,653	0.8595
Commercial - Rate A	2,582	0.1075
Industrial - Rate A	87	0.0036
Other Public Authority - Rate A	141	0.0059
Sales for Resale - Rate B	6	0.0002
Rate J - Large User	30	0.0012
Private Fire Protection	530	0.0221
Public Fire Protection	0	0.0000
	<u>0</u>	<u>0.0000</u>
Total	<u>24,029</u>	<u>1.0000</u>

FACTOR 13. 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 - Rate A	20,653	0.8788
Commercial - Rate A	2,582	0.1099
Industrial - Rate A	87	0.0037
Other Public Authority - Rate A	141	0.0060
Sales for Resale - Rate B	6	0.0003
Rate J - Large User	30	0.0013
	<u>30</u>	<u>0.0013</u>
Total	<u>23,499</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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 - Rate A	\$1,572,872	0.5171
Commercial - Rate A	493,519	0.1622
Industrial - Rate A	235,669	0.0775
Other Public Authority - Rate A	48,320	0.0159
Sales for Resale - Rate B	138,296	0.0455
Rate J - Large User	436,637	0.1435
Private Fire Protection	45,910	0.0151
Public Fire Protection	70,703	0.0232
	<u>70,703</u>	<u>0.0232</u>
Total	<u>\$3,041,927</u>	<u>1.0000</u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

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

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$4,097,275	0.5081
Commercial - Rate A	1,303,510	0.1617
Industrial - Rate A	647,764	0.0803
Other Public Authority - Rate A	127,385	0.0158
Sales for Resale - Rate B	376,214	0.0467
Rate J - Large User	1,226,645	0.1521
Private Fire Protection	113,967	0.0141
Public Fire Protection	170,913	0.0212
	<u>170,913</u>	<u>0.0212</u>
Total	<u>\$8,063,674</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$1,212,226	0.5192
Commercial - Rate A	380,248	0.1629
Industrial - Rate A	175,920	0.0753
Other Public Authority - Rate A	38,202	0.0164
Sales for Resale - Rate B	103,106	0.0442
Rate J - Large User	321,080	0.1375
Private Fire Protection	37,168	0.0159
Public Fire Protection	66,821	0.0286
Total	<u>\$2,334,771</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 - Rate A	\$37,389,504	0.4197
Commercial - Rate A	15,419,967	0.1731
Industrial - Rate A	8,192,950	0.0920
Other Public Authority - Rate A	1,583,521	0.0178
Sales for Resale - Rate B	4,868,791	0.0547
Rate J - Large User	15,182,898	0.1705
Private Fire Protection	2,414,973	0.0271
Public Fire Protection	4,013,429	0.0451
Total	<u>\$89,066,032</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$30,161,529	0.4207
Commercial - Rate A	12,408,416	0.1730
Industrial - Rate A	6,586,969	0.0918
Other Public Authority - Rate A	1,273,359	0.0178
Sales for Resale - Rate B	3,913,841	0.0546
Rate J - Large User	12,208,303	0.1702
Private Fire Protection	1,939,849	0.0270
Public Fire Protection	3,222,966	0.0449
Total	<u>\$71,715,232</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 - Rate A	\$9,415,117	0.4625
Commercial - Rate A	3,419,334	0.1680
Industrial - Rate A	1,748,727	0.0859
Other Public Authority - Rate A	343,962	0.0169
Sales for Resale - Rate B	1,028,734	0.0505
Rate J - Large User	3,274,892	0.1609
Private Fire Protection	446,135	0.0219
Public Fire Protection	680,871	0.0334
Total	<u>\$20,357,771</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
RATE BASE										
Organization	17	\$ 11,868	\$ 4,981	\$ 2,054	\$ 1,092	\$ 211	\$ 649	\$ 2,024	\$ 322	\$ 535
Franchises	17	20,740	8,705	3,590	1,908	369	1,134	3,536	562	935
Land & Ld Rights SS	2	146,950	54,195	27,186	17,369	2,763	10,257	34,651	176	353
Land & Ld Rights P	3	12,561	4,414	2,214	1,414	225	835	2,822	216	420
Land & Ld Rights WT	2	354,368	130,691	65,558	41,886	6,662	24,735	83,560	425	850
Land & Ld Rights TD	6	32,502	11,333	5,473	3,023	556	1,921	4,196	2,044	3,955
Land & Land Rights AG	14	369,306	190,968	59,901	28,621	5,872	16,803	52,995	5,577	8,568
Struct & Imp SS	2	4,534,750	1,672,416	838,929	536,007	85,253	316,526	1,069,294	5,442	10,883
Struct & Imp P	3	322,907	113,470	56,929	36,359	5,780	21,473	72,557	5,554	10,785
Struct & Imp WT	2	13,337,396	4,918,832	2,467,418	1,576,480	250,743	930,950	3,144,958	16,005	32,010
Struct & Imp TD	6	273,545	95,385	46,065	25,440	4,678	16,167	35,315	17,206	33,290
Struct & Imp AG	6	970,283	338,338	163,396	90,236	16,592	57,344	125,264	61,031	118,083
Struct & Imp Offices	14	(2,138,912)	(1,106,031)	(346,932)	(165,766)	(34,009)	(97,320)	(306,934)	(32,298)	(49,623)
Struct & Imp Leasehold	14	11,218	5,801	1,819	869	178	510	1,610	169	260
Struct & Imp Store,Shop,Gar	14	1,924,847	995,338	312,210	149,176	30,605	87,581	276,215	29,065	44,656
Struct & Imp Misc	14	121,357	62,754	19,684	9,405	1,930	5,522	17,415	1,832	2,815
Collect & Impounding	1	26,515	8,246	4,598	3,532	467	1,954	7,554	56	109
Lake, River & Other Intakes	2	465,040	171,507	86,032	54,968	8,743	32,460	109,657	558	1,116
Wells & Springs	2	2,896,311	1,068,159	535,818	342,344	54,451	202,163	682,950	3,476	6,951
Supply Mains	2	3,256,058	1,200,834	602,371	384,866	61,214	227,273	767,778	3,907	7,815
Power Generation Equip	3	616,873	216,769	108,755	69,460	11,042	41,022	138,611	10,610	20,604
Pump Equip Steam	3	13,869	4,874	2,445	1,562	248	922	3,116	239	463
Pump Equip Electric	3	3,812,249	1,339,624	672,100	429,259	68,239	253,515	856,612	65,571	127,329
Pump Equip Diesel	3	81,782	28,738	14,418	9,209	1,464	5,439	18,377	1,407	2,732
Pump Equip Hydraulic	3	23,323	8,196	4,112	2,626	417	1,551	5,241	401	779
Pump Equip Other	3	37,563	13,200	6,622	4,230	672	2,498	8,440	646	1,255
Pump Equip WT	3	1,139,347	400,367	200,867	128,291	20,394	75,767	256,011	19,597	38,054
WT Equip Non-Media	2	14,791,703	5,455,180	2,736,465	1,748,379	278,084	1,032,461	3,487,884	17,750	35,500
WT Equip Filter Media	2	172,195	63,506	31,856	20,353	3,237	12,019	40,604	207	413
Dist Reservoirs & Standpipe	5	2,591,051	839,241	403,945	218,944	41,198	140,435	467,685	163,236	316,367
Elevated Tanks & Standpipes	5	2,051,517	664,486	319,832	173,353	32,619	111,192	370,299	129,246	250,490

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large User	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Ground Level Facilities	5	6,848	2,218	1,068	579	109	371	1,236	431	836
Clearwells	5	108,263	35,066	16,878	9,148	1,721	5,868	19,541	6,821	13,219
TD Mains Not Classified by	6	(414,355)	(144,485)	(69,777)	(38,535)	(7,085)	(24,488)	(53,493)	(26,063)	(50,427)
TD Mains 4" & Less	4	3,098,597	1,079,241	516,226	274,846	52,366	177,859	334,958	225,888	437,212
TD Mains 6 to 8"	4	9,434,325	3,285,975	1,571,758	836,825	159,440	541,530	1,019,850	687,762	1,331,183
TD Mains 10 to 16"	3	6,144,815	2,159,288	1,083,331	691,906	109,992	408,630	1,380,740	105,691	205,237
TD Mains 18" & Grtr	3	330,505	116,139	58,268	37,215	5,916	21,979	74,264	5,685	11,039
Fire Mains	7	4,851	0	0	0	0	0	0	0	4,851
Services	9	6,605,690	4,526,879	1,060,874	65,396	94,461	8,587	33,028	816,463	0
Meters Bronze Case	8	3,101,980	2,417,683	527,957	49,321	70,415	17,681	18,922	0	0
Meters Plastic Case	8	672,055	523,799	114,384	10,686	15,256	3,831	4,100	0	0
Meters Other	8	511,425	398,605	87,045	8,132	11,609	2,915	3,120	0	0
Meters Other-Rem Rdr Unts	8	127,865	99,658	21,763	2,033	2,903	729	780	0	0
Meter Installations	8	2,126,580	1,657,456	361,944	33,813	48,273	12,122	12,972	0	0
Meter Vaults	8	624	487	106	10	14	4	4	0	0
Hydrants	7	957,142	0	0	0	0	0	0	0	957,142
Other P/E CPS	14	106,861	55,258	17,333	8,282	1,699	4,862	15,335	1,614	2,479
Office Furniture & Equip	14	62,196	32,162	10,088	4,820	989	2,830	8,925	939	1,443
Comp & Periph Equip	14	487,868	252,276	79,132	37,810	7,757	22,198	70,009	7,367	11,319
Computer Software	14	162,368	83,961	26,336	12,584	2,582	7,388	23,300	2,452	3,767
Comp Software Mainframe	14	1,204,923	623,066	195,438	93,382	19,158	54,824	172,906	18,194	27,954
Comp Software Mainframe - CIS	12	616,303	529,712	66,253	2,219	3,636	123	740	13,620	0
Comp Software Other	14	1,630	843	264	126	26	74	234	25	38
Data Handling Equipment	14	1,659	858	269	129	26	76	238	25	38
Other Office Equipment	14	33,625	17,387	5,454	2,606	535	1,530	4,825	508	780
Trans Equip Lt Duty Trks	14	285,585	147,676	46,322	22,133	4,541	12,994	40,981	4,312	6,626
Trans Equip Hvy Duty Trks	14	(3,917)	(2,025)	(635)	(304)	(62)	(178)	(562)	(59)	(91)
Trans Equip Autos	14	(7,488)	(3,872)	(1,214)	(580)	(119)	(341)	(1,074)	(113)	(174)
Trans Equip Other	14	129,114	66,765	20,942	10,006	2,053	5,875	18,528	1,950	2,995
Stores Equipment	14	11,632	6,015	1,887	901	185	529	1,669	176	270
Tools,Shop,Garage Equip	14	463,168	239,504	75,126	35,896	7,364	21,074	66,465	6,994	10,745
Tools,Shop,Garage Equip Oth	14	0	0	0	0	0	0	0	0	0
Laboratory Equipment	2	124,034	45,744	22,946	14,661	2,332	8,658	29,247	149	298
Laboratory Equip Other	2	3,674	1,355	680	434	69	256	866	4	9
Power Operated Equipment	14	(41,998)	(21,717)	(6,812)	(3,255)	(668)	(1,911)	(6,027)	(634)	(974)
Comm Equip Non-Telephone	14	(65,782)	(34,016)	(10,670)	(5,098)	(1,046)	(2,993)	(9,440)	(993)	(1,526)
Remote Control & Instr	14	370,828	191,755	60,148	28,739	5,896	16,873	53,214	5,599	8,603
Comm Equip Telephone	14	1,968	1,018	319	153	31	90	282	30	46
Misc Equipment	14	52,098	26,940	8,450	4,038	828	2,370	7,476	787	1,209
Other Tangible Property	17	0	0	0	0	0	0	0	0	0
Total Utility Plant in Service		89,098,641	37,403,190	15,425,611	8,195,950	1,584,101	4,870,575	15,188,458	2,415,856	4,014,900

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
 JOPLIN DISTRICT
 COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large User (9)	Private (10)	Public (11)
Other Rate Base Items										
Add:										
Other Utility Plant Adjustments	17		0	0	0	0	0	0	0	0
Cash Working Capital	15	34,600	17,580	5,595	2,778	547	1,616	5,263	488	734
Materials and Supplies	14	447,181	231,237	72,533	34,657	7,110	20,347	64,170	6,752	10,375
Prepayments	14	100,686	52,065	16,331	7,803	1,601	4,581	14,448	1,520	2,336
Pension / OPEB Tracker	16	727,848	377,899	118,566	54,807	11,937	32,171	100,079	11,573	20,816
Tank Painting Tracker	5	73,758	23,890	11,499	6,233	1,173	3,998	13,313	4,647	9,006
Less:										
Accumulated Deferred ITC (3%)	17	(2,486)	(1,043)	(430)	(229)	(44)	(136)	(424)	(67)	(112)
Deferred Income Taxes	17	(18,085,398)	(7,590,442)	(3,130,582)	(1,663,857)	(321,920)	(989,271)	(3,083,560)	(490,114)	(815,651)
Pensions	16	(679,598)	(352,847)	(110,707)	(51,174)	(11,145)	(30,038)	(93,445)	(10,806)	(19,437)
Total Other Rate Base Elements		<u>(17,383,409)</u>	<u>(7,241,661)</u>	<u>(3,017,195)</u>	<u>(1,608,981)</u>	<u>(310,743)</u>	<u>(956,733)</u>	<u>(2,980,155)</u>	<u>(476,007)</u>	<u>(791,934)</u>
Total Original Cost Measure of Value		<u>\$ 71,715,232</u>	<u>\$ 30,161,529</u>	<u>\$ 12,408,416</u>	<u>\$ 6,586,969</u>	<u>\$ 1,273,359</u>	<u>\$ 3,913,841</u>	<u>\$ 12,208,303</u>	<u>\$ 1,939,849</u>	<u>\$ 3,222,966</u>

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Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	23,103	0.7839
Commercial - Rate A	5,045	0.1712
Industrial - Rate A	471	0.0160
Other Public Authority - Rate A	673	0.0228
Sales for Resale - Rate B	0	0.0000
Rate J - Large User	180	0.0061
Private Fire	<u>0</u>	<u>0.0000</u>
 Total	 <u><u>29,472</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	9.656	14.110	1.46	8/29/1990
1991	9.954	16.140	1.62	7/22/1991
1992	9.610	14.828	1.54	6/30/1992
1993	9.947	12.940	1.30	8/23/1993
1994	10.586	15.120	1.43	7/6/1994
1995	10.895	16.800	1.55	8/30/1995
1996	11.063	15.440	1.40	6/26/1996
1997	10.681	14.900	1.40	7/31/1997
1998	10.902	15.760	1.45	9/4/1998
1999	10.993	18.452	1.68	7/30/1999
2000	11.334	18.747	1.65	8/29/2000
2001	10.862	16.432	1.51	7/20/2001
2002	11.694	18.552	1.59	8/2/2002
2003	11.217	17.360	1.55	8/18/2003
2004	11.673	19.768	1.69	8/23/2004
2005	12.632	19.322	1.53	7/23/2005
2006	13.750	21.691	1.58	8/2/2006
2007	13.265	21.450	1.62	8/9/2007
2008	12.614	18.689	1.48	7/25/2008
2009	12.151	18.687	1.54	6/22/2009
2010	13.376	19.210	1.44	8/4/2010
2011	12.838	21.235	1.65	8/3/2011
2012	12.915	21.224	1.64	7/30/2012
2013	12.336	18.289	1.48	7/12/2013
2014	12.847	19.112	1.49	8/25/2014

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	16	64	
3 -inch	9.00	0	0	
4 -inch	16.00	106	1,696	
6 -inch	36.00	221	7,956	
8 -inch	64.00	148	9,472	
10 -inch	100.00	8	800	
12 -inch	144.00	5	720	
Private Hydrants	26.50	26	689	
Total Private Fire Protection		530	21,397	0.3404
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
5 1/4 Valve	1- 2-1/2" & 1- 4 1/2"	26.50	495	13,118
4 1/2" Valve	1- 2-1/2" & 1- 4 1/2"	20.25	1,063	21,526
4 3/4" Valve	1- 2-1/2" & 1- 4 1/2"	22.56	158	3,565
5" Valve	1- 2-1/2" & 1- 4 1/2"	25.00	6	150
5 1/4" Valve	1-2 1/2"	6.25	495	3,094
Total Public Fire Protection		2,217	41,453	0.6596
Total Fire Protection		2,747	62,850	1.0000

MISSOURI AMERICAN WATER
 ALL WATER DISTRICTS
 CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
 INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	\$ 1,732,550	29,640 5/8 Equivalents	\$ 4.87
Services	901,387	32,207 3/4 Equivalents	2.33
Billing/Collecting	<u>2,174,986</u>	281,628 Bills	<u>7.72</u>
Subtotal	4,808,923		14.92
Unrecovered Public Fire	<u>679,659</u>	29,640 5/8 Equivalents	1.91
Total	<u>\$ 5,488,582</u>		<u>\$ 16.83</u>

MEXICO DISTRICT

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates				Proposed Increase	
	Amount	Percent	Revenues, Present Rates		Consolidated Pricing		Amount	Percent Increase
	(Schedule B)		Amount	Percent	Amount	Percent		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 2,479,962	52.8%	\$ 1,987,507	48.1%	\$ 2,123,133	49.9%	\$ 135,626	6.8%
Commercial	575,044	12.3%	473,597	11.4%	568,306	13.3%	94,709	20.0%
Industrial	105,665	2.3%	119,419	2.9%	138,364	3.2%	18,945	15.9%
Public Authority	<u>297,566</u>	<u>6.3%</u>	<u>253,968</u>	<u>6.1%</u>	<u>309,295</u>	<u>7.3%</u>	<u>55,327</u>	21.8%
Total - Rate A	3,458,237	73.7%	2,834,492	68.5%	3,139,098	73.7%	304,606	10.7%
Sales for Resale	421,438	9.0%	514,313	12.4%	522,727	12.3%	8,414	1.6%
Rate J - Large Users	630,452	13.4%	614,543	14.8%	484,865	11.4%	(129,678)	-21.1%
Private Fire Service	181,331	3.9%	178,655	4.3%	119,012	2.8%	(59,643)	-33.4%
Public Fire Service	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>
Total Sales	4,691,458	<u>100.0%</u>	4,142,003	<u>100.0%</u>	4,265,702	<u>100.2%</u>	123,700	3.0%
Other Revenues	<u>52,493</u>		<u>\$52,493</u>		<u>\$52,493</u>		<u>-</u>	0.0%
Total	<u>\$ 4,743,951</u>		<u>\$ 4,194,496</u>		<u>\$ 4,318,195</u>		<u>\$ 123,700</u>	2.9%

MEX-1

Schedule A-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection		
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)	
OPERATION AND MAINTENANCE EXPENSES											
SOURCE OF SUPPLY EXPENSES											
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS- Labor	2	75,670	29,201	9,179	2,134	5,554	13,893	15,376	83	250	
Labor & Exp Oper SS	2	2,718	1,049	330	77	200	499	552	3	9	
Purchased Water	1	0	0	0	0	0	0	0	0	0	
TOTAL SS EXPENSE - OPERATION		78,388	30,250	9,508	2,211	5,754	14,392	15,928	86	259	
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	0	
Misc Exp Oper SS	2	151,417	58,432	18,367	4,270	11,114	27,800	30,768	167	500	
Wells & Springs Maint SS - Labor	2	100	38	12	3	7	18	20	0	0	
Infiltr Gall & Tunnels Maint SS - Labor	2	5	2	1	0	0	1	1	0	0	
Supply Mains Maint SS - Labor	2	1	0	0	0	0	0	0	0	0	
Misc Plant Maint SS - Labor	2	3	1	0	0	0	1	1	0	0	
Misc Plant Maint SS	2	945	365	115	27	69	174	192	1	3	
TOTAL SS EXPENSE - MAINTENANCE		152,470	58,838	18,495	4,300	11,191	27,993	30,982	168	503	
TOTAL SS EXPENSE		230,858	89,088	28,003	6,510	16,945	42,386	46,910	254	762	
POWER AND PUMPING EXPENSES											
Super & Eng Oper P	3	0	0	0	0	0	0	0	0	0	
Purch Fuel/Power for Pump	1	75,739	26,350	8,930	2,340	5,393	14,625	17,640	114	348	
Labor & Exp Oper Pump - Labor	3	3	1	0	0	0	0	1	0	0	
TOTAL PUMPING EXPENSE - OPERATION		75,742	26,351	8,930	2,340	5,393	14,626	17,640	114	349	
Super & Eng Maint P	3	0	0	0	0	0	0	0	0	0	
Struct & Improve Maint P - Labor	3	2	1	0	0	0	0	0	0	0	
Struct & Improve Maint P	3	597	215	68	16	41	102	113	10	32	
Pump Equip Maint P - Labor	3	5	2	1	0	0	1	1	0	0	
Pump Equip Maint P	3	0	0	0	0	0	0	0	0	0	
TOTAL PUMPING EXPENSES - MAINTENANCE		604	217	68	16	41	104	115	11	32	
TOTAL PUMPING EXPENSES		76,346	26,568	8,998	2,356	5,434	14,729	17,755	124	381	

MEX-2

Schedule B-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
WATER TREATMENT										
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0	0
Chemicals	1	54,837	19,078	6,465	1,694	3,904	10,589	12,772	82	252
Labor & Exp Oper WT - Labor	2	825	318	100	23	61	151	168	1	3
Labor & Exp Oper WT	2	6,133	2,367	744	173	450	1,126	1,246	7	20
Misc Exp Oper WT - Waste Disposal	1	50,000	17,395	5,895	1,545	3,560	9,655	11,645	75	230
Misc Exp Oper WT	2	846	326	103	24	62	155	172	1	3
Rents Oper WT	2	0	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		112,641	39,484	13,307	3,460	8,037	21,677	26,002	166	508
Super & Eng Maint WT	2	4	1	0	0	0	1	1	0	0
WT Equip Maint WT - Labor	2	78	30	9	2	6	14	16	0	0
WT Equip Maint WT	2	26,183	10,104	3,176	738	1,922	4,807	5,320	29	86
TOTAL WT EXPENSE - MAINTENANCE		26,264	10,135	3,186	741	1,928	4,822	5,337	29	87
TOTAL WT EXPENSE		138,905	49,620	16,493	4,200	9,965	26,499	31,339	195	595
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	10	0	0	0	0	0	0	0	0	0
TD Lines Exp - Labor	6	111,449	35,920	10,900	2,251	6,587	3,812	16,851	8,738	26,391
TD Lines Exp	6	520	168	51	11	31	18	79	41	123
Misc Exp Oper TD - Labor	10	44	14	4	1	3	2	7	3	10
Misc Exp Oper TD	10	7,691	2,479	752	155	455	263	1,163	603	1,821
Rents Oper TD	10	1,052	339	103	21	62	36	159	82	249
TOTAL T & D EXPENSE OPERATION		120,756	38,920	11,810	2,439	7,137	4,130	18,258	9,467	28,595
Super & Eng Maint TD	11	0	0	0	0	0	0	0	0	0
Struct & Improve Maint TD - Labor	11	2	1	0	0	0	0	0	0	0
TD Main Maint TD - Labor	6	13	4	1	0	1	0	2	1	3
TD Main Maint TD	6	70,869	22,841	6,931	1,432	4,188	2,424	10,715	5,556	16,782
Services Maint TD - Labor	9	75	51	10	1	4	0	0	8	0
Meters Maint TD - Labor	8	3	2	0	0	0	0	0	0	0
Meters Maint TD	8	0	0	0	0	0	0	0	0	0
Hydrants Maint TD - Labor	7	38	0	0	0	0	0	0	0	38
Misc Plant Maint TD - Labor	11	8	2	1	0	0	0	1	1	2
Mat and Sup Maint TD	11	24,823	8,000	2,428	501	1,467	849	3,748	1,946	5,883
TOTAL T & D EXPENSE - MAINTENANCE		95,831	30,902	9,371	1,934	5,661	3,274	14,468	7,512	22,709
TOTAL T & D EXPENSE		216,587	69,822	21,181	4,374	12,797	7,404	32,726	16,979	51,304
CUSTOMER ACCOUNTS										
Supervision CA	12	0	0	0	0	0	0	0	0	0
Meter Reading Exp CA - Labor	13	39,051	34,580	3,476	129	773	47	47	0	0
Cust Rec & Collection CA - Labor	12	398	347	35	1	8	0	0	6	0
Cust Rec & Collection CA	12	38,293	33,372	3,354	126	747	46	46	601	0
Uncollectible Accts	12	66,107	57,612	5,791	218	1,289	79	79	1,038	0
Misc Cust Accts Exp CA	12	1,645	1,434	144	5	32	2	2	26	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		145,494	127,345	12,800	480	2,849	175	175	1,671	0

MEX-3

Schedule B-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	14	123,558	58,974	13,035	2,434	6,919	11,083	17,100	3,731	10,280
Other Supplies & Exp AG	14	34,320	16,381	3,621	676	1,922	3,079	4,750	1,036	2,855
Mgmt Fees-Admin	14	282,739	134,951	29,829	5,570	15,833	25,362	39,131	8,539	23,524
Mgmt Fees-Customer Service	12	51,940	45,266	4,550	171	1,013	62	62	815	0
Mgmt Fees-Belleville Lab	2	1,631	629	198	46	120	299	331	2	5
Mgmt Fees- Employee	16	17,590	7,984	1,840	350	997	1,453	2,484	630	1,852
Outside Services AG	14	18,182	8,678	1,918	358	1,018	1,631	2,516	549	1,513
Outside Services AG	14	0	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	14	41,036	19,586	4,329	808	2,298	3,681	5,679	1,239	3,414
Ins Work Comp AG	16	12,403	5,630	1,297	247	703	1,024	1,751	444	1,306
Ins Other Oper AG	14	7,011	3,347	740	138	393	629	970	212	583
Ins Vehicle	14	1,756	838	185	35	98	158	243	53	146
Injuries & Damages	16	(261)	(118)	(27)	(5)	(15)	(22)	(37)	(9)	(27)
Employee Pension & Benefits	16	110,102	49,975	11,517	2,191	6,243	9,094	15,546	3,942	11,594
Reg Commision Exp	19	11,710	5,369	1,299	245	692	1,052	1,566	453	1,035
Rents AG	14	5,635	2,690	594	111	316	505	780	170	469
Goodwill Advertising Exp	14	984	470	104	19	55	88	136	30	82
Misc Exp AG	14	28,442	13,575	3,001	560	1,593	2,551	3,936	859	2,366
Research & Development	14	1,042	497	110	21	58	93	144	31	87
TOTAL A & G OPERATIONS		749,820	374,723	78,139	13,976	40,257	61,824	97,091	22,727	61,085
General Plant Maint AG	14	10,392	4,960	1,096	205	582	932	1,438	314	865
TOTAL A & G EXPENSE - MAINTENANCE		10,392	4,960	1,096	205	582	932	1,438	314	865
TOTAL A & G EXPENSE		760,212	379,683	79,236	14,180	40,839	62,756	98,529	23,040	61,949
Total Operation & Maintenance Expenses		1,568,402	742,125	166,711	32,101	88,829	153,948	227,434	42,264	114,990

MEX-4

Schedule B-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
DEPRECIATION EXPENSE										
Struct & Imp SS	2	1,284	495	156	36	94	236	261	1	4
Struct & Imp P	3	2,290	825	260	60	157	393	434	40	121
Struct & Imp WT	2	70,079	27,043	8,501	1,976	5,144	12,867	14,240	77	231
Struct & Imp TD	6	1,033	333	101	21	61	35	156	81	245
Struct & Imp AG	14	2,184	1,042	230	43	122	196	302	66	182
Struct & Imp Offices	14	898	429	95	18	50	81	124	27	75
Struct & Imp Store,Shop,Gar	14	703	336	74	14	39	63	97	21	58
Lake, River & Other Intakes	2	418	161	51	12	31	77	85	0	1
Wells & Springs	2	27,618	10,658	3,350	779	2,027	5,071	5,612	30	91
Supply Mains	2	13,206	5,096	1,602	372	969	2,425	2,683	15	44
Power Generation Equip	3	163	59	18	4	11	28	31	3	9
Pump Equip Electric	3	11,141	4,012	1,263	293	763	1,911	2,113	195	590
Pump Equip Other	3	768	277	87	20	53	132	146	13	41
WT Equip Non-Media	2	89,629	34,588	10,872	2,528	6,579	16,456	18,213	99	296
WT Equip Filter Media	2	2,704	1,043	328	76	198	496	549	3	9
Dist Reservoirs & Standpipe	5	3,859	1,449	430	83	260	306	627	175	529
Elevated Tanks & Standpipes	5	1,010	379	113	22	68	80	164	46	138
Ground Level Facilities	5	357	134	40	8	24	28	58	16	49
TD Mains Not Classified by	6	56,651	18,259	5,540	1,144	3,348	1,937	8,566	4,441	13,415
TD Mains 4" & Less	4	8,402	2,628	790	158	476	0	1,189	786	2,374
TD Mains 6 to 8"	4	32,417	10,140	3,047	609	1,838	0	4,587	3,034	9,161
TD Mains 10 to 16"	3	21,675	7,805	2,458	570	1,485	3,717	4,112	379	1,149
TD Mains 18" & Grtr	3	13	5	1	0	1	2	2	0	1
Fire Mains	7	546	0	0	0	0	0	0	0	546
Services	9	129,132	88,068	17,226	1,666	6,689	775	736	13,972	0
Meters Other	8	28,119	21,902	3,655	523	1,369	208	222	239	0
Meter Installations	8	21,323	16,608	2,772	397	1,038	158	168	181	0
Hydrants	7	12,921	0	0	0	0	0	0	0	12,921
Other P/E Intangible	17	47	21	5	1	3	4	6	2	5
Other P/E SS	2	86	33	10	2	6	16	17	0	0
Other P/E WT Res Hand Equip	2	795	307	96	22	58	146	162	1	3
Other P/E TD	6	283	91	28	6	17	10	43	22	67
Other P/E CPS	14	247	118	26	5	14	22	34	7	21
Office Furniture & Equip	14	196	93	21	4	11	18	27	6	16
Comp & Periph Equip	14	24,361	11,628	2,570	480	1,364	2,185	3,372	736	2,027
Computer Software	14	4,405	2,103	465	87	247	395	610	133	366

MEX-5

Schedule B-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Comp Software Mainframe	14	33,907	16,184	3,577	668	1,899	3,041	4,693	1,024	2,821
Comp Software Mainframe - CIS	12	17,343	15,114	1,519	57	338	21	21	272	0
Comp Software Other	14	44	21	5	1	2	4	6	1	4
Data Handling Equipment	14	46	22	5	1	3	4	6	1	4
Other Office Equipment	14	673	321	71	13	38	60	93	20	56
Trans Equip Lt Duty Trks	14	6,634	3,166	700	131	372	595	918	200	552
Trans Equip Other	14	7	3	1	0	0	1	1	0	1
Stores Equipment	14	716	342	76	14	40	64	99	22	60
Tools,Shop,Garage Equip	14	4,333	2,068	457	85	243	389	600	131	361
Laboratory Equipment	2	941	363	114	27	69	173	191	1	3
Power Operated Equipment	14	2,149	1,026	227	42	120	193	297	65	179
Comm Equip Non-Telephone	14	2,365	1,129	249	47	132	212	327	71	197
Remote Control & Instr	14	15,451	7,375	1,630	304	865	1,386	2,138	467	1,286
Comm Equip Telephone	14	95	45	10	2	5	9	13	3	8
Misc Equipment	14	854	408	90	17	48	77	118	26	71
Other Tangible Property	14	28	13	3	1	2	3	4	1	2
Total Depreciation Expense		656,548	315,768	75,016	13,449	38,792	56,702	79,276	27,157	50,387
Amort-Other UP	18	2,469	1,095	279	52	150	211	320	112	250
Amort-UPAA	2	419	162	51	12	31	77	85	0	1
Amort-Property Losses	2	2,459	949	298	69	180	451	500	3	8
Taxes Other Than Income										
Utility Reg Assessment Fee	19	36,770	16,859	4,078	768	2,173	3,302	4,916	1,423	3,250
Property Taxes	18	207,141	91,867	23,407	4,391	12,553	17,690	26,866	9,425	20,942
Payroll Taxes	16	26,773	12,152	2,800	533	1,518	2,211	3,780	958	2,819
Other Taxes & Licenses	14	2,271	1,084	240	45	127	204	314	69	189
Gross Receipts Tax	19	0	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		272,955	121,962	30,525	5,737	16,371	23,407	35,877	11,875	27,201
Income Taxes	18	670,876	297,534	75,809	14,223	40,655	57,293	87,013	30,525	67,826
Utility Income Available for Return	18	1,569,823	696,217	177,390	33,280	95,131	134,063	203,606	71,427	158,709
Total Cost of Service		4,743,951	2,175,812	526,079	98,924	280,139	426,152	634,111	183,363	419,371
Less: Other Water Revenues	19	52,493	24,068	5,821	1,097	3,102	4,714	7,018	2,031	4,640
Total Other Water Revenues		52,493	24,068	5,821	1,097	3,102	4,714	7,018	2,031	4,640
Total Cost of Service Related to Sales of Water		\$ 4,691,458	\$ 2,151,743	\$ 520,258	\$ 97,827	\$ 277,037	\$ 421,438	\$ 627,092	\$ 181,331	\$ 414,731
Reallocation of Public Fire	20	0	328,218	54,786	7,838	20,529	0	3,359	0	(414,731)
Total		\$ 4,691,458	\$ 2,479,962	\$ 575,044	\$ 105,665	\$ 297,566	\$ 421,438	\$ 630,452	\$ 181,331	\$ -

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Schedule B-MEX

**MISSOURI-AMERICAN WATER COMPANY
MEXICO 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 <u>(1)</u>	Average Daily Consumption, 100 Gallons <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	5,141	0.3479
Commercial - Rate A	1,743	0.1179
Industrial - Rate A	457	0.0309
Other Public Authority - Rate A	1,052	0.0712
Sales for Resale - Rate B	2,853	0.1931
Rate J - Large Users	3,442	0.2329
Private Fire Protection	22	0.0015
Public Fire Protection	68	0.0046
Total	<u>14,778</u>	<u>1.0000</u>

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

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

Customer Classification <u>(1)</u>	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor <u>(6)=(3)+(5)</u>
	Allocation Factor 1 <u>(2)</u>	Weighted Factor <u>(3)=(2)x</u> 0.7143	Allocation Factor <u>(4)</u>	Weighted Factor <u>(5)=(4)x</u> 0.2857	
Residential - Rate A	0.3479	0.2485	0.4807	0.1374	0.3859
Commercial - Rate A	0.1179	0.0841	0.1303	0.0372	0.1213
Industrial - Rate A	0.0309	0.0221	0.0214	0.0061	0.0282
Other Public Authority - Rate A	0.0712	0.0509	0.0787	0.0225	0.0734
Sales for Resale - Rate B	0.1931	0.1379	0.1601	0.0457	0.1836
Rate J - Large Users	0.2329	0.1664	0.1288	0.0368	0.2032
Private Fire Protection	0.0015	0.0011			0.0011
Public Fire Protection	0.0046	0.0033			0.0033
Total	<u>1.0000</u>	<u>0.7143</u>	<u>1.0000</u>	<u>0.2857</u>	<u>1.0000</u>

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

MISSOURI-AMERICAN WATER COMPANY
MEXICO 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, 100 Gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	5,141	1.0	5,141	0.4807
Commercial - Rate A	1,743	0.8	1,394	0.1303
Industrial - Rate A	457	0.5	229	0.0214
Other Public Authority - Rate	1,052	0.8	842	0.0787
Sales for Resale - Rate B	2,853	0.6	1,712	0.1601
Rate J - Large Users	3,442	0.4	1,377	0.1288
Total	14,688		10,695	1.0000

The weighting of the factors is based on the maximum day ratio of 1.40, based on a review of maximum day ratios experienced during the period 1990 through 2014 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.7143
Maximum Day Extra Capacity	0.40	0.2857
Total	1.40	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.6668	(4)	(5)=(4) X 0.2668	(6)	(7)=(6) X 0.0664	(8)=(3)+(5)+(7)
Residential - Rate A	0.3479	0.2319	0.4807	0.1282			0.3601
Commercial - Rate A	0.1179	0.0786	0.1303	0.0348			0.1134
Industrial - Rate A	0.0309	0.0206	0.0214	0.0057			0.0263
Other Public Authority - Rate A	0.0712	0.0475	0.0787	0.0210			0.0685
Sales for Resale - Rate B	0.1931	0.1288	0.1601	0.0427			0.1715
Rate J - Large Users	0.2329	0.1553	0.1288	0.0344			0.1897
Private Fire Protection	0.0015	0.0010			0.2487	0.0165	0.0175
Public Fire Protection	0.0046	0.0031			0.7513	0.0499	0.0530
Total	1.0000	0.6668	1.0000	0.2668	1.0000	0.0664	1.0000

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Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO 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 1.40 and the average daily system sendout for 2014 of 1.809 MGD. The system demand for fire protection is 1,500 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	1,809,082	0.6668
Maximum Day Extra Capacity	<u>0.40</u>	<u>723,633</u>	<u>0.2668</u>
Subtotal	<u><u>1.40</u></u>	2,532,715	0.9336
Fire Protection		<u>180,000</u>	<u>0.0664</u>
Total		<u><u>2,712,715</u></u>	<u><u>1.0000</u></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
MEXICO DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X	(5)	(6)=(5) X	(7)	(8)=(7) X	(9)=(4)+(6)+(8)
			0.3131		0.3131		0.3738	
Residential - Rate A	214.2	0.4312	0.1349	0.5683	0.1779			0.3128
Commercial - Rate A	72.6	0.1462	0.0458	0.1541	0.0482			0.0940
Industrial - Rate A	19.0	0.0383	0.0120	0.0216	0.0068			0.0188
Other Public Authority - Rate A	43.8	0.0882	0.0276	0.0929	0.0291			0.0567
Sales for Resale - Rate B	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate J - Large Users	143.4	0.2887	0.0904	0.1631	0.0511			0.1415
Private Fire Protection	0.9	0.0018	0.0006			0.2487	0.0930	0.0936
Public Fire Protection	2.8	0.0056	0.0018			0.7513	0.2808	0.2826
Total	496.7	1.0000	0.3131	1.0000	0.3131	1.0000	0.3738	1.0000

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

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Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.0 and the average daily system sendout for 2014 of 1.809 MGD. The system demand for fire protection is 1,500 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,256	0.3131
Maximum Hour Extra Capacity	1.00	1,256	0.3131
Subtotal	<u>2.00</u>	2,512	0.6262
Fire Protection		1,500	0.3738
Total		<u>4,012</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 100 Gallons	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	214.2	3.5	749.7	0.5683
Commercial - Rate A	72.6	2.8	203.3	0.1541
Industrial - Rate A	19.0	1.5	28.5	0.0216
Other Public Authority - Rate A	43.8	2.8	122.6	0.0929
Sales for Resale - Rate B	0.0	2.0	0.0	0.0000
Rate J - Large Users	143.4	1.5	215.1	0.1631
Total	<u>493.0</u>		<u>1,319.2</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
MEXICO DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.4100	(5)	(6)=(5) X 0.4100	(7)	(8)=(7) X 0.1800	(9)=(4)+(6)+(8)
Residential - Rate A	214.2	0.3480	0.1427	0.5683	0.2329			0.3756
Commercial - Rate A	72.6	0.1179	0.0483	0.1541	0.0632			0.1115
Industrial - Rate A	19.0	0.0309	0.0127	0.0216	0.0089			0.0216
Other Public Authority - Ra	43.8	0.0712	0.0292	0.0929	0.0381			0.0673
Sales for Resale - Rate B	118.9	0.1931	0.0792	0.0000	0.0000			0.0792
Rate J - Large Users	143.4	0.2329	0.0955	0.1631	0.0669			0.1624
Private Fire Protection	0.9	0.0015	0.0006			0.2487	0.0448	0.0454
Public Fire Protection	2.8	0.0045	0.0018			0.7513	0.1352	0.1370
Total	615.6	1.0000	0.4100	1.0000	0.4100	1.0000	0.1800	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
MEXICO DISTRICT

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

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

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

$$\text{Fire Protection Weight} = \frac{1,500 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{1,000,000 \text{ Gallons}} = 0.1800$$

$$\text{General Service Weight} = 1.0000 - 0.1800 = 0.8200$$

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

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	50.00	0.4100
Extra Capacity Maximum Hour	1.00	50.00	0.4100
Total	2.00	100.00	0.8200

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

Factors are based on the weighting of the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 5, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1996	(4)	(5)=(4)X 0.8004	(6)=(3)+(5)
Residential - Rate A	0.3601	0.0719	0.3128	0.2504	0.3223
Commercial - Rate A	0.1134	0.0226	0.0940	0.0752	0.0978
Industrial - Rate A	0.0263	0.0052	0.0188	0.0150	0.0202
Other Public Authority - Rat	0.0685	0.0137	0.0567	0.0454	0.0591
Sales for Resale - Rate B	0.1715	0.0342	0.0000	0.0000	0.0342
Rate J - Large Users	0.1897	0.0379	0.1415	0.1133	0.1512
Private Fire Protection	0.0175	0.0035	0.0936	0.0749	0.0784
Public Fire Protection	0.0530	0.0106	0.2826	0.2262	0.2368
Total	1.0000	0.1996	1.0000	0.8004	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	97,730	0.1996
Distribution Mains	391,900	0.8004
Total	489,629	1.0000

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 8. 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 (1)	5/8" Dollar Equivalents (2)	Allocation Factor (3)
Residential - Rate A	4,321	0.7789
Commercial - Rate A	721	0.1300
Industrial - Rate A	103	0.0186
Other Public Authority - Rate A	270	0.0487
Sales for Resale - Rate B	41	0.0074
Rate J - Large Users	44	0.0079
Private Fire	47	0.0085
Total	5,547	1.0000

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Rate A								Rate B		Rate J		Rate F		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire		Number of Meters (15)	Weighting (16)
		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 (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)=(2)X(13)		
5/8	1.0	4,261	4,261	289	289	2	2	30	30	0	0	0	0	41	41	4,623	4,623
3/4	2.1	7	15	5	11	0	0	2	4	0	0	0	0	0	0	14	30
1	2.0	18	36	81	162	2	4	21	42	0	0	1	2	1	2	124	248
1-1/2	3.5	0	0	0	0	0	0	2	7	0	0	0	0	0	0	2	7
2	4.3	2	9	53	228	4	17	37	159	4	17	1	4	1	4	102	438
3	7.0	0	0	2	14	3	21	4	28	1	7	3	21	0	0	13	91
4	10.5	0	0	0	0	4	42	0	0	0	0	0	0	0	0	4	42
6	16.8	0	0	1	17	1	17	0	0	1	17	1	17	0	0	4	68
8	64.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>4,288</u>	<u>4,321</u>	<u>431</u>	<u>721</u>	<u>16</u>	<u>103</u>	<u>96</u>	<u>270</u>	<u>6</u>	<u>41</u>	<u>6</u>	<u>44</u>	<u>43</u>	<u>47</u>	<u>4,886</u>	<u>5,547</u>

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Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	4,332	0.6820
Commercial - Rate A	847	0.1334
Industrial - Rate A	82	0.0129
Other Public Authority - Rate A	329	0.0518
Sales for Resale - Rate B	38	0.0060
Rate J - Large Users	36	0.0057
Private Fire Protection	<u>687</u>	<u>0.1082</u>
 Total	 <u><u>6,351</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Rate A								Rate B		Rate J		Rate F		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire		Number of Services (15)	Weighting (16)
		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 (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(11)		
3/4	1.00	4,268	4,268	294	294	2	2	32	32	0	0	0	0	0	0	4,596	4,596
1	2.94	18	53	81	238	2	6	21	62	0	0	1	3	0	0	123	362
1-1/2	4.02	0	0	0	0	0	0	2	8	0	0	0	0	0	0	2	8
2	5.55	2	11	53	294	4	22	37	205	4	22	1	6	1	6	102	566
3	5.55	0	0	2	11	3	17	4	22	1	6	3	17	1	6	14	79
4	6.37	0	0	0	0	4	25	0	0	0	0	0	0	11	70	15	95
6	9.92	0	0	1	10	1	10	0	0	1	10	1	10	32	317	36	357
8	9.92	0	0	0	0	0	0	0	0	0	0	0	0	15	149	15	149
10	9.92	0	0	0	0	0	0	0	0	0	0	0	0	14	139	14	139
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>4,288</u>	<u>4,332</u>	<u>431</u>	<u>847</u>	<u>16</u>	<u>82</u>	<u>96</u>	<u>329</u>	<u>6</u>	<u>38</u>	<u>6</u>	<u>36</u>	<u>74</u>	<u>687</u>	<u>4,917</u>	<u>6,351</u>

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Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 10. 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 - Rate A	\$ 36,088	0.3223
Commercial - Rate A	10,951	0.0978
Industrial - Rate A	2,262	0.0202
Other Public Authority - Rate A	6,617	0.0591
Sales for Resale - Rate B	3,829	0.0342
Rate J - Large Users	16,930	0.1512
Private Fire Protection	8,778	0.0784
Public Fire Protection	26,514	0.2368
Total	<u>111,969</u>	<u>1.0000</u>

FACTOR 11. 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 - Rate A	\$ 22,899	0.3223
Commercial - Rate A	6,943	0.0978
Industrial - Rate A	1,433	0.0202
Other Public Authority - Rate A	4,193	0.0591
Sales for Resale - Rate B	2,425	0.0342
Rate J - Large Users	10,718	0.1510
Private Fire Protection	5,565	0.0784
Public Fire Protection	16,823	0.2370
Total	<u>\$70,998</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 12. 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 - Rate A	4,288	0.8715
Commercial - Rate A	431	0.0876
Industrial - Rate A	16	0.0033
Other Public Authority - Rate A	96	0.0195
Sales for Resale - Rate B	6	0.0012
Rate J - Large Users	6	0.0012
Private Fire Protection	77	0.0157
Public Fire Protection	0	0.0000
	<u>4,920</u>	<u>1.0000</u>
Total	<u>4,920</u>	<u>1.0000</u>

FACTOR 13. 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 - Rate A	4,288	0.8855
Commercial - Rate A	431	0.0890
Industrial - Rate A	16	0.0033
Other Public Authority - Rate A	96	0.0198
Sales for Resale - Rate B	6	0.0012
Rate J - Large Users	6	0.0012
	<u>4,843</u>	<u>1.0000</u>
Total	<u>4,843</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	\$299,620	0.4773
Commercial - Rate A	66,185	0.1055
Industrial - Rate A	12,341	0.0197
Other Public Authority - Rate A	35,133	0.0560
Sales for Resale - Rate B	56,323	0.0897
Rate J - Large Users	86,849	0.1384
Private Fire Protection	18,953	0.0302
Public Fire Protection	<u>52,210</u>	<u>0.0832</u>
Total	<u><u>\$627,614</u></u>	<u><u>1.0000</u></u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

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

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	\$736,756	0.4732
Commercial - Rate A	165,413	0.1063
Industrial - Rate A	31,856	0.0205
Other Public Authority - Rate A	88,137	0.0566
Sales for Resale - Rate B	152,896	0.0982
Rate J - Large Users	225,868	0.1451
Private Fire Protection	41,811	0.0269
Public Fire Protection	<u>113,955</u>	<u>0.0732</u>
Total	<u><u>\$1,556,692</u></u>	1.0000

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$159,492	0.4539
Commercial - Rate A	36,765	0.1046
Industrial - Rate A	6,981	0.0199
Other Public Authority - Rate A	19,924	0.0567
Sales for Resale - Rate B	29,026	0.0826
Rate J - Large Users	49,594	0.1412
Private Fire Protection	12,573	0.0358
Public Fire Protection	36,979	0.1053
Total	<u>\$351,333</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 - Rate A	\$10,258,258	0.4436
Commercial - Rate A	2,613,957	0.1130
Industrial - Rate A	490,593	0.0212
Other Public Authority - Rate A	1,401,506	0.0606
Sales for Resale - Rate B	1,975,921	0.0854
Rate J - Large Users	2,997,579	0.1297
Private Fire Protection	1,053,147	0.0455
Public Fire Protection	2,338,240	0.1011
Total	<u>\$23,129,202</u>	<u>1.0001</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO 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 - Rate A	\$8,480,943	0.4435
Commercial - Rate A	2,160,523	0.1130
Industrial - Rate A	405,533	0.0212
Other Public Authority - Rate A	1,158,428	0.0606
Sales for Resale - Rate B	1,633,706	0.0854
Rate J - Large Users	2,479,169	0.1297
Private Fire Protection	869,885	0.0455
Public Fire Protection	1,932,673	0.1011
Total	<u>\$19,120,860</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 - Rate A	\$2,153,583	0.4585
Commercial - Rate A	520,703	0.1109
Industrial - Rate A	97,911	0.0209
Other Public Authority - Rate A	277,274	0.0591
Sales for Resale - Rate B	421,798	0.0898
Rate J - Large Users	627,629	0.1337
Private Fire Protection	181,487	0.0387
Public Fire Protection	415,086	0.0884
Total	<u>\$4,695,471</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
RATE BASE										
Organization	17	\$ 2,016	\$ 895	\$ 228	\$ 43	\$ 122	\$ 172	\$ 261	\$ 92	\$ 204
Land & Ld Rights SS	2	25,516	9,846	3,095	720	1,873	4,685	5,185	28	84
Land & Ld Rights P	3	58,808	21,177	6,669	1,547	4,028	10,086	11,156	1,029	3,117
Land & Ld Rights WT	2	13,920	5,372	1,689	393	1,022	2,556	2,829	15	46
Land & Ld Rights TD	6	13,121	4,229	1,283	265	775	449	1,984	1,029	3,107
Land & Land Rights AG	14	2,057	982	217	41	115	185	285	62	171
Struct & Imp SS	2	37,857	14,609	4,592	1,068	2,779	6,950	7,692	42	125
Struct & Imp P	3	43,307	15,595	4,911	1,139	2,967	7,427	8,215	758	2,295
Struct & Imp WT	2	2,424,841	935,746	294,133	68,381	177,983	445,201	492,728	2,667	8,002
Struct & Imp TD	6	45,939	14,806	4,493	928	2,715	1,571	6,946	3,602	10,878
Struct & Imp AG	6	104,008	33,522	10,172	2,101	6,147	3,557	15,726	8,154	24,629
Struct & Imp Offices	14	73,317	34,994	7,735	1,444	4,106	6,577	10,147	2,214	6,100
Struct & Imp Store,Shop,Gar	14	33,663	16,067	3,551	663	1,885	3,020	4,659	1,017	2,801
Lake, River & Other Intakes	2	9,171	3,539	1,112	259	673	1,684	1,863	10	30
Wells & Springs	2	889,146	343,121	107,853	25,074	65,263	163,247	180,674	978	2,934
Supply Mains	2	616,685	237,979	74,804	17,391	45,265	113,223	125,310	678	2,035
Power Generation Equip	3	4,241	1,527	481	112	290	727	804	74	225
Pump Equip Electric	3	1,078,878	388,504	122,345	28,374	73,903	185,028	204,663	18,880	57,181
Pump Equip Hydraulic	3	20,298	7,309	2,302	534	1,390	3,481	3,850	355	1,076
Pump Equip Other	3	25,281	9,104	2,867	665	1,732	4,336	4,796	442	1,340
WT Equip Non-Media	2	3,141,155	1,212,172	381,022	88,581	230,561	576,716	638,283	3,455	10,366
WT Equip Filter Media	2	163,447	63,074	19,826	4,609	11,997	30,009	33,212	180	539
Dist Reservoirs & Standpipe	5	146,527	55,035	16,338	3,165	9,861	11,605	23,796	6,652	20,074
Elevated Tanks & Standpipes	5	38,367	14,411	4,278	829	2,582	3,039	6,231	1,742	5,256
Ground Level Facilities	5	13,556	5,092	1,512	293	912	1,074	2,202	615	1,857
TD Mains Not Classified by	6	2,451,081	789,984	239,716	49,512	144,859	83,827	370,604	192,165	580,416
TD Mains 4" & Less	4	542,005	169,539	50,948	10,190	30,732	0	76,694	50,732	153,170
TD Mains 6 to 8"	4	2,779,747	869,505	261,296	52,259	157,612	0	393,334	260,184	785,557
TD Mains 10 to 16"	3	1,136,064	409,097	128,830	29,878	77,820	194,835	215,511	19,881	60,211
TD Mains 18" & Grtr	3	689	248	78	18	47	118	131	12	37
Fire Mains	7	23,236	0	0	0	0	0	0	0	23,236
Services	9	4,027,676	2,746,875	537,292	51,957	208,634	24,166	22,958	435,795	0
Meters Bronze Case	8	(23,137)	(18,021)	(3,008)	(430)	(1,127)	(171)	(183)	(197)	0
Meters Other	8	1,131,398	881,246	147,082	21,044	55,099	8,372	8,938	9,617	0
Meter Installations	8	609,379	474,645	79,219	11,334	29,677	4,509	4,814	5,180	0
Hydrants	7	507,789	0	0	0	0	0	0	0	507,789
Other P/E Intangible	17	1,127	500	127	24	68	96	146	51	114
Other P/E SS	2	1,170	451	142	33	86	215	238	1	4
Other P/E WT Res Hand Equip	2	16,739	6,460	2,030	472	1,229	3,073	3,401	18	55
Other P/E TD	6	3,767	1,214	368	76	223	129	570	295	892
Other P/E CPS	14	4,524	2,160	477	89	253	406	626	137	376

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Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Office Furniture & Equip	14	13,220	6,310	1,395	260	740	1,186	1,830	399	1,100
Comp & Periph Equip	14	92,900	44,341	9,801	1,830	5,202	8,333	12,857	2,806	7,729
Computer Software	14	34,547	16,489	3,645	681	1,935	3,099	4,781	1,043	2,874
Comp Software Mainframe	14	256,696	122,521	27,081	5,057	14,375	23,026	35,527	7,752	21,357
Comp Software Mainframe - CIS	12	131,297	114,425	11,502	433	2,560	158	158	2,061	0
Comp Software Other	14	347	166	37	7	19	31	48	10	29
Data Handling Equipment	14	687	328	73	14	38	62	95	21	57
Other Office Equipment	14	18,897	9,020	1,994	372	1,058	1,695	2,615	571	1,572
Trans Equip Lt Duty Trks	14	36,315	17,333	3,831	715	2,034	3,257	5,026	1,097	3,021
Trans Equip Hvy Duty Trks	14	(871)	(416)	(92)	(17)	(49)	(78)	(121)	(26)	(72)
Trans Equip Autos	14	(18,185)	(8,680)	(1,919)	(358)	(1,018)	(1,631)	(2,517)	(549)	(1,513)
Trans Equip Other	14	89	43	9	2	5	8	12	3	7
Stores Equipment	14	5,412	2,583	571	107	303	485	749	163	450
Tools,Shop,Garage Equip	14	67,311	32,127	7,101	1,326	3,769	6,038	9,316	2,033	5,600
Laboratory Equipment	2	15,364	5,929	1,864	433	1,128	2,821	3,122	17	51
Power Operated Equipment	14	23,886	11,401	2,520	471	1,338	2,143	3,306	721	1,987
Comm Equip Non-Telephone	14	(3,534)	(1,687)	(373)	(70)	(198)	(317)	(489)	(107)	(294)
Remote Control & Instr	14	231,642	110,563	24,438	4,563	12,972	20,778	32,059	6,996	19,273
Comm Equip Telephone	14	(15,896)	(7,587)	(1,677)	(313)	(890)	(1,426)	(2,200)	(480)	(1,323)
Misc Equipment	14	3,846	1,835	406	76	215	345	532	116	320
Other Tangible Property	17	0	0	0	0	0	0	0	0	0
Total Utility Plant in Service		23,132,345	10,259,653	2,614,312	490,660	1,401,696	1,976,190	2,997,987	1,053,290	2,338,557
Other Rate Base Items										
Add:										
Materials and Supplies	14	30,361	14,491	3,203	598	1,700	2,723	4,202	917	2,526
Prepayments	14	20,862	9,957	2,201	411	1,168	1,871	2,887	630	1,736
Pension / OPEB Tracker	16	150,863	68,477	15,780	3,002	8,554	12,461	21,302	5,401	15,886
Tank Painting Tracker	5	15,354	5,767	1,712	332	1,033	1,216	2,493	697	2,103
Less:										
Deferred Income Taxes	17	(4,088,063)	(1,813,465)	(461,951)	(86,667)	(247,737)	(349,121)	(529,813)	(186,007)	(413,303)
Pensions	16	(140,862)	(63,937)	(14,734)	(2,803)	(7,987)	(11,635)	(19,890)	(5,043)	(14,833)
Total Other Rate Base Elements		(4,011,485)	(1,778,710)	(453,789)	(85,127)	(243,268)	(342,484)	(518,818)	(183,405)	(405,885)
Total Original Cost Measure of Value		\$ 19,120,860	\$ 8,480,943	\$ 2,160,523	\$ 405,533	\$ 1,158,428	\$ 1,633,706	\$ 2,479,169	\$ 869,885	\$ 1,932,673

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Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	4,321	0.7914
Commercial - Rate A	721	0.1321
Industrial - Rate A	103	0.0189
Other Public Authority - Rate A	270	0.0495
Sales for Resale - Rate B	0	0.0000
Rate J - Large Users	44	0.0081
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>5,459</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	1.859	3.044	1.64	7/15
1991	2.008	2.738	1.36	3/29
1992	2.044	3.182	1.56	7/2
1993	1.989	2.553	1.28	8/20
1994	1.964	2.525	1.29	8/22
1995	2.282	2.917	1.28	8/28
1996	2.186	3.047	1.39	7/18
1997	2.223	2.886	1.30	7/17
1998	2.240	2.868	1.28	5/19
1999	2.223	3.010	1.35	7/28
2000	2.199	2.770	1.26	8/17
2001	2.322	2.955	1.27	8/1
2002	2.245	2.953	1.32	8/5
2003	2.254	2.937	1.30	8/28
2004	2.116	2.745	1.30	8/18
2005	2.105	2.912	1.38	11/7
2006	1.783	2.786	1.56	6/19
2007	2.252	2.889	1.28	8/6
2008	2.071	2.821	1.36	5/19
2009	1.887	2.293	1.22	6/23
2010	1.842	2.416	1.31	7/10
2011	1.826	2.391	1.31	7/25
2012	1.892	2.568	1.36	7/24
2013	1.862	2.494	1.34	8/27
2014	1.809	2.223	1.23	7/29

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	1	4	
3 -inch	9.00	0	0	
4 -inch	16.00	11	176	
6 -inch	36.00	32	1,152	
8 -inch	64.00	15	960	
10 -inch	100.00	14	1,400	
12 -inch	144.00	1	144	
Private Hydrants	20.25	3	61	
Total Private Fire Protection		77	3,897	0.2487
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
5 1/4" Valve	2- 2-1/2" & 1- 4 1/2"	26.50	164	4,346
6" Valve	2- 2-1/2" & 1- 4 1/2"	26.50	7	186
4 1/4" Valve	2- 2-1/2" & 1- 4 1/2"	18.06	310	5,599
4 1/2" Valve	2- 2-1/2" & 1- 4 1/2"	20.25	81	1,640
Total Public Fire Protection		562	11,771	0.7513
Total Fire Protection		639	15,668	1.0000

MISSOURI AMERICAN WATER
MEXICO DISTRICT
CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	\$ 230,574	5,547 5/8 Equivalents	\$ 3.46
Services	493,995	5,628 3/4 Equivalents	7.31
Billing/Collecting	<u>430,790</u>	58,044 Bills	<u>7.42</u>
Subtotal	1,155,360		18.19
Unrecovered Public Fire	<u>414,731</u>	5,547 5/8 Equivalents	6.23
Total	<u><u>\$ 1,570,091</u></u>		<u><u>\$ 24.42</u></u>

MEX-30

Schedule F-MEX

PLATTE COUNTY WATER DISTRICT

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
	Residential	\$ 5,502,950	69.3%	\$ 4,205,541	65.2%	\$ 3,916,152	64.1%	\$ (289,389)
Commercial	1,207,737	15.2%	1,175,583	18.2%	1,141,969	18.7%	(33,614)	-2.9%
Industrial	21,484	0.3%	(55,897)	-0.9%	18,434	0.3%	74,331	-133.0%
Public Authority	101,213	1.3%	97,263	1.5%	95,939	1.6%	(1,324)	-1.4%
Total Rate A	6,833,385	86.1%	5,422,492	84.0%	5,172,494	84.7%	(249,998)	-4.6%
Sales for Resale - Rate B	256,251	3.2%	268,032	4.1%	281,914	4.6%	13,882	5.2%
Rate J - Large Industrial	697,771	8.8%	558,771	8.6%	\$ 517,623	8.5%	(41,148)	-7.4%
Private Fire Service	148,630	1.9%	212,930	3.3%	138,934	2.3%	(73,996)	-34.8%
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	7,936,036	<u>100.0%</u>	6,462,224	<u>100.0%</u>	6,110,965	<u>100.1%</u>	(351,259)	-5.4%
Other Revenues	47,784		47,784		47,784		-	0.0%
Total	<u>\$ 7,983,820</u>		<u>\$ 6,510,007</u>		<u>\$ 6,158,748</u>		<u>\$ (351,259)</u>	-5.4%

PTC-1

Schedule A-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
OPERATION AND MAINTENANCE EXPENSES										
SOURCE OF SUPPLY EXPENSES										
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS - Labor	2	0	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	866	580	133	2	10	46	92	0	2
Purchased Water	1	540,359	296,171	99,048	2,107	7,673	39,608	92,780	540	2,432
TOTAL SS EXPENSE - OPERATION		541,225	296,751	99,181	2,110	7,683	39,655	92,872	541	2,433
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	(41)	(27)	(6)	(0)	(0)	(2)	(4)	(0)	(0)
Wells & Springs Maint SS - Labor	2	2	2	0	0	0	0	0	0	0
Infiltr Gall & Tunnels Maint SS - Labor	2	10	7	2	0	0	1	1	0	0
Supply Mains Maint SS - Labor	2	2	2	0	0	0	0	0	0	0
Misc Plant Maint SS - Labor	2	5	3	1	0	0	0	0	0	0
Misc Plant Maint SS	2	1,200	804	184	3	14	64	128	0	2
TOTAL SS EXPENSE - MAINTENANCE		1,179	790	181	3	14	63	125	0	2
TOTAL SS EXPENSE		542,404	297,541	99,362	2,113	7,697	39,718	92,997	541	2,435
POWER AND PUMPING EXPENSES										
Super & Eng Oper P - Labor	3	0	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	64,630	35,424	11,847	252	918	4,737	11,097	65	291
Labor & Exp Oper Pump - Labor	3	87,049	55,964	12,840	218	1,001	4,457	8,879	688	3,003
TOTAL PUMPING EXPENSE - OPERATION		151,679	91,387	24,686	470	1,919	9,194	19,976	752	3,294
Super & Eng Maint P	3	0	0	0	0	0	0	0	0	0
Struct & Improve Maint P - Labor	3	3	2	1	0	0	0	0	0	0
Pump Equip Maint P - Labor	3	6,904	4,438	1,018	17	79	353	704	55	238
Pump Equip Maint P	3	0	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		6,907	4,441	1,019	17	79	354	705	55	238
TOTAL PUMPING EXPENSES		158,586	95,828	25,705	487	1,998	9,548	20,680	807	3,532
WATER TREATMENT										
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0	0
Chemicals	1	125,024	68,526	22,917	488	1,775	9,164	21,467	125	563
Labor & Exp Oper WT	2	15,432	10,338	2,370	42	184	824	1,640	6	28
Misc Exp Oper WT	2	127,697	85,544	19,614	345	1,520	6,819	13,574	51	230

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Schedule B-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Rents Oper WT	2	0	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		268,153	164,408	44,902	874	3,479	16,807	36,681	182	820
Super & Eng Maint WT	2	11	7	2	0	0	1	1	0	0
Struct & Improve Maint WT - Labor	2	84	56	13	0	1	4	9	0	0
WT Equip Maint WT	2	6,167	4,132	947	17	73	329	656	2	11
TOTAL WT EXPENSE - MAINTENANCE		6,262	4,195	962	17	75	334	666	3	11
TOTAL WT EXPENSE		274,415	168,603	45,863	891	3,553	17,142	37,347	185	832
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	10	0	0	0	0	0	0	0	0	0
TD Lines Exp - Labor	6	951	507	133	2	10	18	88	36	157
TD Lines Exp	6	50	27	7	0	1	1	5	2	8
Customer Install Exp - Labor	9	1	1	0	0	0	0	0	0	0
Misc Exp Oper TD - Labor	10	48,553	25,889	6,763	107	524	923	4,511	1,826	8,011
Misc Exp Oper TD	10	77,775	41,470	10,834	171	840	1,478	7,225	2,924	12,833
Rents Oper TD	10	2,710	1,445	378	6	29	51	252	102	447
TOTAL T & D EXPENSE OPERATION		130,041	69,338	18,115	286	1,404	2,471	12,081	4,889	21,457
Super & Eng Maint TD	11	0	0	0	0	0	0	0	0	0
Struct & Improve Maint TD - Labor	11	2	1	0	0	0	0	0	0	0
TD Main Maint TD - Labor	6	9,472	5,048	1,319	21	102	180	881	355	1,565
TD Main Maint TD	6	253,403	135,064	35,299	557	2,737	4,815	23,566	9,503	41,862
Services Maint TD - Labor	9	14	11	2	0	0	0	0	1	0
Meters Maint TD - Labor	8	51	42	7	0	1	0	0	0	0
Hydrants Maint TD - Labor	7	289	0	0	0	0	0	0	0	289
Misc Plant Maint TD - Labor	11	513	273	71	1	6	10	48	19	85
Mat and Sup Maint TD	11	55,413	29,502	7,708	122	598	1,053	5,148	2,078	9,204
TOTAL T & D EXPENSE - MAINTENANCE		319,157	169,941	44,407	702	3,444	6,058	29,643	11,956	53,006
TOTAL T & D EXPENSE		449,198	239,279	62,522	988	4,849	8,528	41,724	16,846	74,463
CUSTOMER ACCOUNTS										
Supervision CA	12	0	0	0	0	0	0	0	0	0
Meter Reading Exp CA	13	43,338	39,633	3,285	52	299	30	39	0	0
Cust Rec & Collection CA	12	56,545	50,778	4,207	68	379	40	45	1,029	0
Cust Rec & Collection CA	12	46,946	42,158	3,493	56	315	33	38	854	0

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Schedule B-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Uncollectible Accts	12	40,733	36,578	3,031	49	273	29	33	741	0
Misc Cust Accts Exp CA	12	1,098	986	82	1	7	1	1	20	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		188,661	170,133	14,097	226	1,273	132	155	2,645	0
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	14	169,102	109,375	21,763	355	1,725	4,126	12,936	3,889	14,932
Other Supplies & Exp AG	14	47,185	30,519	6,073	99	481	1,151	3,610	1,085	4,166
Mgmt Fees-Admin	14	409,018	264,553	52,641	859	4,172	9,980	31,290	9,407	36,116
Mgmt Fees-Customer Service	12	75,138	67,474	5,590	90	503	53	60	1,368	0
Mgmt Fees-Belleville Lab	2	2,359	1,580	362	6	28	126	251	1	4
Mgmt Fees- Employee	16	25,447	17,568	3,094	51	249	611	1,695	476	1,702
Outside Services AG	14	26,303	17,013	3,385	55	268	642	2,012	605	2,323
Outside Services AG	14	0	0	0	0	0	0	0	0	0
Property Insurance	14	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Ins Gen Liab Oper AG	14	57,676	37,305	7,423	121	588	1,407	4,412	1,327	5,093
Ins Work Comp AG	16	14,782	10,205	1,797	30	145	355	984	276	989
Ins Other Oper AG	14	8,662	5,602	1,115	18	88	211	663	199	765
Ins Vehicle	14	2,468	1,596	318	5	25	60	189	57	218
Injuries & Damages	16	(368)	(254)	(45)	(1)	(4)	(9)	(25)	(7)	(25)
Employee Pension & Benefits	16	166,741	115,118	20,276	333	1,634	4,002	11,105	3,118	11,155
Reg Commision Exp	19	18,630	11,500	2,599	45	211	602	1,630	348	1,695
Rents AG	14	5,487	3,549	706	12	56	134	420	126	485
Goodwill Advertising Exp	14	312	202	40	1	3	8	24	7	28
Misc Exp AG	14	36,234	23,436	4,663	76	370	884	2,772	833	3,200
Research & Development	14	1,471	951	189	3	15	36	113	34	130
TOTAL A & G OPERATIONS		1,066,647	717,294	131,991	2,159	10,559	24,378	74,140	23,150	82,975
General Plant Maint AG	14	0	0	0	0	0	0	0	0	0
Maint Exp ARO/Net Neg Sal AG	14	0	0	0	0	0	0	0	0	0
General Plant Maint AG	14	11,668	7,547	1,502	25	119	285	893	268	1,030
TOTAL A & G EXPENSE - MAINTENANCE		11,668	7,547	1,502	25	119	285	893	268	1,030
TOTAL A & G EXPENSE		1,078,315	724,841	133,492	2,183	10,678	24,663	75,033	23,419	84,006
Total Operation & Maintenance Expenses		2,691,579	1,696,225	381,041	6,888	30,048	99,731	267,937	44,442	165,267

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Schedule B-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
DEPRECIATION EXPENSE										
Struct & Imp SS	2	379	254	58	1	5	20	40	0	1
Struct & Imp P	3	2,544	1,636	375	6	29	130	259	20	88
Struct & Imp WT	2	87,749	58,783	13,478	237	1,044	4,686	9,328	35	158
Struct & Imp TD	6	4,316	2,300	601	9	47	82	401	162	713
Struct & Imp Store,Shop,Gar	14	6,260	4,049	806	13	64	153	479	144	553
Struct & Imp Misc	14	85,122	55,057	10,955	179	868	2,077	6,512	1,958	7,516
Wells & Springs	2	35,186	23,571	5,405	95	419	1,879	3,740	14	63
Supply Mains	2	2,998	2,008	460	8	36	160	319	1	5
Power Generation Equip	3	4,122	2,650	608	10	47	211	420	33	142
WT Equip Non-Media	2	55,502	37,181	8,525	150	660	2,964	5,900	22	100
WT Equip Filter Media	2	4,067	2,724	625	11	48	217	432	2	7
Dist Reservoirs & Standpipe	5	61,017	37,190	10,647	153	824	1,397	6,858	726	3,222
Elevated Tanks & Standpipes	5	2,048	1,248	357	5	28	47	230	24	108
Ground Level Facilities	5	1,338	816	233	3	18	31	150	16	71
Below Ground Facilities	5	511	311	89	1	7	12	57	6	27
TD Mains Not Classified by	6	71,504	38,112	9,961	157	772	1,359	6,650	2,681	11,812
TD Mains 4" & Less	4	9,714	4,549	1,307	19	101	0	852	534	2,352
TD Mains 6 to 8"	4	84,991	39,801	11,431	170	884	0	7,454	4,675	20,576
TD Mains 10 to 16"	3	69,580	44,733	10,263	174	800	3,562	7,097	550	2,401
TD Mains 18" & Grtr	3	95,328	61,286	14,061	238	1,096	4,881	9,723	753	3,289
Fire Mains	7	1,504	0	0	0	0	0	0	0	1,504
Services	9	73,825	56,100	9,811	221	1,078	207	251	6,157	0
Meters Bronze Case	8	26,729	22,177	3,699	75	422	123	136	96	0
Meters Plastic Case	8	22	18	3	0	0	0	0	0	0
Meters Other	8	10,170	8,438	1,408	28	161	47	52	37	0
Meters Other-Rem Rdr Unts	8	314	261	43	1	5	1	2	1	0
Meter Installations	8	40,754	33,814	5,640	114	644	187	208	147	0
Meter Vaults	8	9,134	7,578	1,264	26	144	42	47	33	0
Hydrants	7	33,842	0	0	0	0	0	0	0	33,842
Other P/E TD	6	582	310	81	1	6	11	54	22	96
Other P/E CPS	14	3,212	2,078	413	7	33	78	246	74	284
Office Furniture & Equip	14	222	144	29	0	2	5	17	5	20

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Schedule B-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Comp & Periph Equip	14	33,536	21,691	4,316	70	342	818	2,565	771	2,961
Computer Software	14	5,373	3,475	692	11	55	131	411	124	474
Comp Software Mainframe	14	40,937	26,478	5,269	86	418	999	3,132	942	3,615
Comp Software Mainframe - CIS	12	20,939	18,803	1,558	25	140	15	17	381	0
Comp Software Other	14	53	34	7	0	1	1	4	1	5
Data Handling Equipment	14	14,400	9,314	1,853	30	147	351	1,102	331	1,272
Other Office Equipment	14	1,779	1,151	229	4	18	43	136	41	157
Trans Equip Lt Duty Trks	14	5,683	3,676	731	12	58	139	435	131	502
Trans Equip Other	14	8	5	1	0	0	0	1	0	1
Stores Equipment	14	627	406	81	1	6	15	48	14	55
Tools,Shop,Garage Equip	14	4,945	3,198	636	10	50	121	378	114	437
Laboratory Equipment	2	4,153	2,782	638	11	49	222	441	2	7
Comm Equip Non-Telephone	14	2,690	1,740	346	6	27	66	206	62	238
Remote Control & Instr	14	3,798	2,457	489	8	39	93	291	87	335
Comm Equip Telephone	14	4	2	0	0	0	0	0	0	0
Misc Equipment	14	22,368	14,468	2,879	47	228	546	1,711	514	1,975
Other Tangible Property	14	34	22	4	0	0	1	3	1	3
Total Depreciation Expense		1,045,912	658,878	142,368	2,438	11,872	28,130	78,796	22,444	100,986
Amort-Other UP	18	4,573	2,767	636	11	52	140	379	89	499
Amort-UPAA	2	777	521	119	2	9	41	83	0	1
Amort-Property Losses	2	4,553	3,050	699	12	54	243	484	2	8
Taxes Other Than Income										
Utility Reg Assessment Fee	19	58,498	36,111	8,160	140	661	1,889	5,119	1,094	5,323
Property Taxes	18	1,056,178	639,093	146,914	2,535	12,040	32,319	87,452	20,595	115,229
Payroll Taxes	16	31,990	22,086	3,890	64	314	768	2,131	598	2,140
Other Taxes & Licenses	14	2,261	1,462	291	5	23	55	173	52	200
Gross Receipts Tax	19	0	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		1,148,927	698,752	159,256	2,744	13,038	35,031	94,874	22,340	122,892
Income Taxes	18	924,790	559,590	128,638	2,219	10,543	28,299	76,573	18,033	100,895
Utility Income Available for Return	18	2,162,709	1,308,655	300,833	5,191	24,655	66,179	179,072	42,173	235,952
Revenue Contribution	19	0	0	0	0	0	0	0	0	0
Total Cost of Service		7,983,820	4,928,439	1,113,591	19,505	90,271	257,794	698,196	149,523	726,500
Less: Other Water Revenues	19	47,784	29,497	6,666	115	540	1,543	4,181	894	4,348
Total Other Water Revenues		47,784	29,497	6,666	115	540	1,543	4,181	894	4,348
Total Cost of Service Related to Sales of Water		\$ 7,936,036	\$ 4,898,942	\$ 1,106,925	\$ 19,390	\$ 89,731	\$ 256,251	\$ 694,015	\$ 148,630	\$ 722,152
Reallocation of Public Fire	20	(0)	604,008	100,812	2,094	11,482	0	3,755	0	(722,152)
Total		\$ 7,936,036	\$ 5,502,950	\$ 1,207,737	\$ 21,484	\$ 101,213	\$ 256,251	\$ 697,771	\$ 148,630	\$ -

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Schedule B-PTC

**MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

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

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

Customer Classification (1)	Average Daily Consumption, 100 Gallons (2)	Allocation Factor (3)
Residential - Rate A	11,446	0.5481
Commercial - Rate A	3,827	0.1833
Industrial - Rate A	82	0.0039
Other Public Authority - Rate A	296	0.0142
Sales for Resale - Rate B	1,530	0.0733
Rate J - Large Industrial	3,584	0.1717
Private Fire Protection	21	0.0010
Public Fire Protection	93	0.0045
Total	20,879	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 (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.4000	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.6000	
Residential - Rate A	0.5481	0.2192	0.7510	0.4507	0.6699
Commercial - Rate A	0.1833	0.0733	0.1339	0.0803	0.1536
Industrial - Rate A	0.0039	0.0016	0.0018	0.0011	0.0027
Other Public Authority - R:	0.0142	0.0057	0.0104	0.0062	0.0119
Sales for Resale - Rate B	0.0733	0.0293	0.0402	0.0241	0.0534
Rate J - Large Industrial	0.1717	0.0687	0.0627	0.0376	0.1063
Private Fire Protection	0.0010	0.0004			0.0004
Public Fire Protection	0.0045	0.0018			0.0018
Total	1.0000	0.4000	1.0000	0.6000	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
PLATTE COUNTY WATER 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, 100 Gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	11,446	1.5	17,169	0.7510
Commercial - Rate A	3,827	0.8	3,062	0.1339
Industrial - Rate A	82	0.5	41	0.0018
Other Public Authority - Rate	296	0.8	237	0.0104
Sales for Resale - Rate B	1,530	0.6	918	0.0402
Rate J - Large Industrial	3,584	0.4	1,434	0.0627
Total	20,765		22,861	1.0000

The weighting of the factors is based on the maximum day ratio of 2.50, based on a review of maximum day ratios experienced during the period 1990 through 2014 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4000
Maximum Day Extra Capacity	1.50	0.6000
Total	2.50	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.3839	(4)	(5)=(4) X 0.5758	(6)	(7)=(6) X 0.0403	(8)=(3)+(5)+(7)
Residential - Rate A	0.5481	0.2104	0.7510	0.4325			0.6429
Commercial - Rate A	0.1833	0.0704	0.1339	0.0771			0.1475
Industrial - Rate A	0.0039	0.0015	0.0018	0.0010			0.0025
Other Public Authority - Rate A	0.0142	0.0055	0.0104	0.0060			0.0115
Sales for Resale - Rate B	0.0733	0.0281	0.0402	0.0231			0.0512
Rate J - Large Industrial	0.1717	0.0659	0.0627	0.0361			0.1020
Private Fire Protection	0.0010	0.0004			0.1849	0.0075	0.0079
Public Fire Protection	0.0045	0.0017			0.8151	0.0328	0.0345
Total	1.0000	0.3839	1.0000	0.5758	1.0000	0.0403	1.0000

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Schedule C-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER 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 2.50 and the average daily system sendout for 2014 of 2.287 MGD. The system demand for fire protection is 2,000 Gallons per minute for 2 hours.

	<u>Ratio</u>	Rate of Flow, (GPD)	<u>Weight</u>
Average Day	1.00	2,286,945	0.3839
Maximum Day Extra Capacity	<u>1.50</u>	<u>3,430,418</u>	<u>0.5758</u>
Subtotal	<u><u>2.50</u></u>	5,717,363	0.9597
Fire Protection		<u>240,000</u>	<u>0.0403</u>
Total		<u><u>5,957,363</u></u>	<u><u>1.0000</u></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
PLATTE COUNTY WATER DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2347	(5)	(6)=(5) X 0.4696	(7)	(8)=(7) X 0.2957	(9)=(4)+(6)+(8)
Residential - Rate A	476.9	0.5916	0.1388	0.7016	0.3295			0.4683
Commercial - Rate A	159.5	0.1978	0.0464	0.1877	0.0881			0.1345
Industrial - Rate A	3.4	0.0042	0.0010	0.0021	0.0010			0.0020
Other Public Authority - Rate A	12.3	0.0153	0.0036	0.0145	0.0068			0.0104
Sales for Resale - Rate B	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate J - Large Industrial	149.3	0.1852	0.0435	0.0941	0.0442			0.0877
Private Fire Protection	0.9	0.0011	0.0003			0.1849	0.0547	0.0550
Public Fire Protection	3.9	0.0048	0.0011			0.8151	0.2410	0.2421
Total	806.2	1.0000	0.2347	1.0000	0.4696	1.0000	0.2957	1.0000

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

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Schedule C-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER 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 3.0 and the average daily system sendout for 2014 of 2.827 MGD. The system demand for fire protection is 2,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,588	0.2347
Maximum Hour Extra Capacity	<u>2.00</u>	<u>3,176</u>	<u>0.4696</u>
Subtotal	<u>3.00</u>	4,764	0.7043
Fire Protection		<u>2,000</u>	<u>0.2957</u>
Total		<u>6,764</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 100 Gallons	Maximum Hour Extra Capacity		
		Factor*	100 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	476.9	3.5	1,669.2	0.7016
Commercial - Rate A	159.5	2.8	446.6	0.1877
Industrial - Rate A	3.4	1.5	5.1	0.0021
Other Public Authority - Rate A	12.3	2.8	34.4	0.0145
Sales for Resale - Rate B	0.0	2.0	0.0	0.0000
Rate J - Large Industrial	<u>149.3</u>	1.5	<u>224.0</u>	<u>0.0941</u>
Total	<u>801.4</u>		<u>2,379.3</u>	<u>1.0000</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3123	(5)	(6)=(5) X 0.6247	(7)	(8)=(7) X 0.0630	(9)=(4)+(6)+(8)
Residential - Rate A	476.9	0.5483	0.1713	0.7016	0.4382			0.6095
Commercial - Rate A	159.5	0.1833	0.0572	0.1877	0.1173			0.1745
Industrial - Rate A	3.4	0.0039	0.0012	0.0021	0.0013			0.0025
Other Public Authority - Ra	12.3	0.0141	0.0044	0.0145	0.0091			0.0135
Sales for Resale - Rate B	63.8	0.0733	0.0229	0.0000	0.0000			0.0229
Rate J - Large Industrial	149.3	0.1716	0.0536	0.0941	0.0588			0.1124
Private Fire Protection	0.9	0.0010	0.0003			0.1849	0.0116	0.0119
Public Fire Protection	3.9	0.0045	0.0014			0.8151	0.0514	0.0528
Total	870.0	1.0000	0.3123	1.0000	0.6247	1.0000	0.0630	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
PLATTE COUNTY WATER DISTRICT

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

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

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

$$\text{Fire Protection Weight} = \frac{2,000 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{3,810,000 \text{ Gallons}} = 0.0630$$

$$\text{General Service Weight} = 1.0000 - 0.0630 = 0.9370$$

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

	<u>Maximum Hour Ratio</u>	<u>Percent</u>	<u>Weight</u>
Average Hour	1.00	33.33	0.3123
Extra Capacity Maximum Hour	<u>2.00</u>	<u>66.67</u>	<u>0.6247</u>
Total	<u><u>3.00</u></u>	<u><u>100.00</u></u>	<u><u>0.9370</u></u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.3707	(4)	(5)=(4)X 0.6293	(6)=(3)+(5)
Residential - Rate A	0.6429	0.2383	0.4683	0.2947	0.5330
Commercial - Rate A	0.1475	0.0547	0.1345	0.0846	0.1393
Industrial - Rate A	0.0025	0.0009	0.0020	0.0013	0.0022
Other Public Authority - Rate A	0.0115	0.0043	0.0104	0.0065	0.0108
Sales for Resale - Rate B	0.0512	0.0190	0.0000	0.0000	0.0190
Rate J - Large Industrial	0.1020	0.0378	0.0877	0.0552	0.0930
Private Fire Protection	0.0079	0.0029	0.0550	0.0346	0.0375
Public Fire Protection	0.0345	0.0128	0.2421	0.1524	0.1652
Total	1.0000	0.3707	1.0000	0.6293	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	193,468	0.3707
Distribution Mains	328,403	0.6293
Total	521,871	1.0000

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 7. 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 8. 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 - Rate A	5,831	0.8297
Commercial - Rate A	973	0.1384
Industrial - Rate A	20	0.0028
Other Public Authority - Rate A	111	0.0158
Sales for Resale - Rate B	32	0.0046
Rate J - Large Industrial	36	0.0051
Private Fire	25	0.0036
Total	7,028	1.0000

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Rate A								Rate B		Rate J		Rate F		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire		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 (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)=(2)X(13)	Number of Meters (15)	Weighting (16)
5/8	1.0	4,871	4,871	246	246	3	3	19	19	0	0	0	0	10	10	5,149	5,149
3/4	2.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	2.0	446	892	78	156	0	0	3	6	0	0	2	4	1	2	530	1,060
1-1/2	3.5	12	42	36	126	0	0	8	28	0	0	0	0	0	0	56	196
2	4.3	6	26	65	280	4	17	8	34	0	0	1	4	3	13	87	374
3	7.0	0	0	11	77	0	0	1	7	3	21	0	0	0	0	15	105
4	10.5	0	0	2	21	0	0	0	0	1	11	1	11	0	0	4	43
6	16.8	0	0	4	67	0	0	1	17	0	0	1	17	0	0	6	101
8	64.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>5,335</u>	<u>5,831</u>	<u>442</u>	<u>973</u>	<u>7</u>	<u>20</u>	<u>40</u>	<u>111</u>	<u>4</u>	<u>32</u>	<u>5</u>	<u>36</u>	<u>14</u>	<u>25</u>	<u>5,847</u>	<u>7,028</u>

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Schedule C-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	6,263	0.7599
Commercial - Rate A	1,095	0.1329
Industrial - Rate A	25	0.0030
Other Public Authority - Rate A	120	0.0146
Sales for Resale - Rate B	23	0.0028
Rate J - Large Industrial	28	0.0034
Private Fire Protection	<u>687</u>	<u>0.0834</u>
 Total	 <u><u>8,241</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Rate A				Rate B				Rate J		Rate F		Total			
Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire Protection		Total	
Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
4,871	4,871	246	246	3	3	19	19	0	0	0	0	0	0	5,139	5,139
446	1,311	78	229	0	0	3	9	0	0	2	6	0	0	529	1,555
12	48	36	145	0	0	8	32	0	0	0	0	0	0	56	225
6	33	65	361	4	22	8	44	0	0	1	6	1	6	85	472
0	0	11	61	0	0	1	6	3	17	0	0	1	6	16	90
0	0	2	13	0	0	0	0	1	6	1	6	11	70	15	95
0	0	4	40	0	0	1	10	0	0	1	10	47	466	53	526
0	0	0	0	0	0	0	0	0	0	0	0	9	89	9	89
0	0	0	0	0	0	0	0	0	0	0	0	5	50	5	50
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>5,335</u>	<u>6,263</u>	<u>442</u>	<u>1,095</u>	<u>7</u>	<u>25</u>	<u>40</u>	<u>120</u>	<u>4</u>	<u>23</u>	<u>5</u>	<u>28</u>	<u>74</u>	<u>687</u>	<u>5,907</u>	<u>8,241</u>

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Schedule C-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 10. 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 - Rate A	\$ 534	0.5332
Commercial - Rate A	140	0.1393
Industrial - Rate A	2	0.0022
Other Public Authority - Rate A	11	0.0108
Sales for Resale - Rate B	19	0.0190
Rate J - Large Industrial	93	0.0929
Private Fire Protection	38	0.0376
Public Fire Protection	165	0.1650
Total	<u>1,002</u>	<u>1.0000</u>

FACTOR 11. 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 - Rate A	\$ 140,165	0.5324
Commercial - Rate A	36,627	0.1391
Industrial - Rate A	579	0.0022
Other Public Authority - Rate A	2,840	0.0108
Sales for Resale - Rate B	4,995	0.0190
Rate J - Large Industrial	24,448	0.0929
Private Fire Protection	9,859	0.0375
Public Fire Protection	43,716	0.1661
Total	<u>\$263,229</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 12. 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 - Rate A	5,335	0.8980
Commercial - Rate A	442	0.0744
Industrial - Rate A	7	0.0012
Other Public Authority - Rate A	40	0.0067
Sales for Resale - Rate B	4	0.0007
Rate J - Large Industrial	5	0.0008
Private Fire Protection	108	0.0182
Public Fire Protection	0	0.0000
	<u>5,941</u>	<u>1.0000</u>
Total	<u><u>5,941</u></u>	<u><u>1.0000</u></u>

FACTOR 13. 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 - Rate A	5,335	0.9145
Commercial - Rate A	442	0.0758
Industrial - Rate A	7	0.0012
Other Public Authority - Rate A	40	0.0069
Sales for Resale - Rate B	4	0.0007
Rate J - Large Industrial	5	0.0009
	<u>5,833</u>	<u>1.0000</u>
Total	<u><u>5,833</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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 - Rate A	\$571,263	0.6468
Commercial - Rate A	113,738	0.1287
Industrial - Rate A	1,858	0.0021
Other Public Authority - Rate A	9,004	0.0102
Sales for Resale - Rate B	21,558	0.0244
Rate J - Large Industrial	67,561	0.0765
Private Fire Protection	20,294	0.0230
Public Fire Protection	77,977	0.0883
	<u>\$883,251</u>	<u>1.0000</u>
Total	<u>\$883,251</u>	<u>1.0000</u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL
WORKING CAPITAL.

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

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$1,684,725	0.6302
Commercial - Rate A	378,442	0.1416
Industrial - Rate A	6,843	0.0026
Other Public Authority - Rate A	29,837	0.0112
Sales for Resale - Rate B	99,129	0.0371
Rate J - Large Industrial	266,307	0.0996
Private Fire Protection	44,094	0.0165
Public Fire Protection	163,572	0.0612
	<u>\$2,672,949</u>	<u>1.0000</u>
Total	<u>\$2,672,949</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$292,039	0.6904
Commercial - Rate A	51,428	0.1216
Industrial - Rate A	841	0.0020
Other Public Authority - Rate A	4,128	0.0098
Sales for Resale - Rate B	10,143	0.0240
Rate J - Large Industrial	28,144	0.0666
Private Fire Protection	7,898	0.0187
Public Fire Protection	28,281	0.0669
Total	<u>\$422,903</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 - Rate A	\$20,009,362	0.6052
Commercial - Rate A	4,601,549	0.1391
Industrial - Rate A	77,577	0.0023
Other Public Authority - Rate A	377,344	0.0114
Sales for Resale - Rate B	1,011,564	0.0306
Rate J - Large Industrial	2,737,816	0.0828
Private Fire Protection	642,972	0.0194
Public Fire Protection	3,612,590	0.1092
Total	<u>\$33,070,773</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER 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 - Rate A	\$15,940,782	0.6051
Commercial - Rate A	3,665,488	0.1391
Industrial - Rate A	62,090	0.0024
Other Public Authority - Rate A	300,592	0.0114
Sales for Resale - Rate B	805,105	0.0306
Rate J - Large Industrial	2,180,703	0.0828
Private Fire Protection	512,496	0.0195
Public Fire Protection	2,875,119	0.1091
Total	<u>\$26,342,376</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 - Rate A	\$4,880,828	0.6173
Commercial - Rate A	1,102,831	0.1395
Industrial - Rate A	19,320	0.0024
Other Public Authority - Rate A	89,400	0.0113
Sales for Resale - Rate B	255,303	0.0323
Rate J - Large Industrial	691,448	0.0875
Private Fire Protection	148,081	0.0187
Public Fire Protection	719,482	0.0910
Total	<u>\$7,906,692</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
RATE BASE										
Organization	17	\$ 2,435	\$ 1,473	\$ 339	\$ 6	\$ 28	\$ 74	\$ 202	\$ 47	\$ 266
Franchises	17	13	8	2	0	0	0	1	0	1
Land & Ld Rights SS	2	1,735	1,162	267	5	21	93	184	1	3
Land & Ld Rights WT	2	432	290	66	1	5	23	46	0	1
Land & Ld Rights TD	6	35,638	18,995	4,964	78	385	677	3,314	1,336	5,887
Land & Land Rights AG	14	142	92	18	0	1	3	11	3	13
Struct & Imp SS	2	6,876	4,606	1,056	19	82	367	731	3	12
Struct & Imp P	3	8,618	5,541	1,271	22	99	441	879	68	297
Struct & Imp WT	2	626,352	419,593	96,208	1,691	7,454	33,447	66,581	251	1,127
Struct & Imp TD	6	211,463	112,710	29,457	465	2,284	4,018	19,666	7,930	34,934
Struct & Imp AG	14	14,636	9,467	1,884	31	149	357	1,120	337	1,292
Struct & Imp Offices	14	34,971	22,619	4,501	73	357	853	2,675	804	3,088
Struct & Imp Store,Shop,Gar	14	14,477	9,364	1,863	30	148	353	1,107	333	1,278
Struct & Imp Misc	14	410,847	265,736	52,876	863	4,191	10,025	31,430	9,449	36,278
Wells & Springs	2	149,394	100,079	22,947	403	1,778	7,978	15,881	60	269
Supply Mains	2	132,154	88,530	20,299	357	1,573	7,057	14,048	53	238
Power Generation Equip	3	115,218	74,073	16,995	288	1,325	5,899	11,752	910	3,975
Pump Equip Electric	3	1,424,242	915,645	210,076	3,561	16,379	72,921	145,273	11,252	49,136
Pump Equip Diesel	3	9,869	6,345	1,456	25	113	505	1,007	78	340
Pump Equip Hydraulic	3	78,079	50,197	11,517	195	898	3,998	7,964	617	2,694
Pump Equip Other	3	75,611	48,610	11,153	189	870	3,871	7,712	597	2,609
WT Equip Non-Media	2	1,536,464	1,029,277	236,001	4,148	18,284	82,047	163,326	615	2,766
WT Equip Filter Media	2	289,694	194,066	44,497	782	3,447	15,470	30,795	116	521
Dist Reservoirs & Standpipe	5	2,565,736	1,563,816	447,721	6,414	34,637	58,755	288,389	30,532	135,471
Elevated Tanks & Standpipes	5	86,111	52,485	15,026	215	1,163	1,972	9,679	1,025	4,547
Ground Level Facilities	5	56,282	34,304	9,821	141	760	1,289	6,326	670	2,972
Below Ground Facilities	5	21,473	13,088	3,747	54	290	492	2,414	256	1,134
TD Mains Not Classified by	6	2,446,979	1,304,240	340,864	5,383	26,427	46,493	227,569	91,762	404,241
TD Mains 4" & Less	4	456,808	213,923	61,441	914	4,751	0	40,062	25,124	110,593
TD Mains 6 to 8"	4	3,736,420	1,749,765	502,548	7,473	38,859	0	327,684	205,503	904,587
TD Mains 10 to 16"	3	7,847,126	5,044,917	1,157,451	19,618	90,242	401,773	800,407	61,992	270,726
TD Mains 18" & Grtr	3	4,133,261	2,657,274	609,656	10,333	47,533	211,623	421,593	32,653	142,598
Fire Mains	7	69,292	0	0	0	0	0	0	0	69,292
Services	9	1,513,163	1,149,852	201,099	4,539	22,092	4,237	5,145	126,198	0
Meters Bronze Case	8	811,469	673,275	112,307	2,272	12,821	3,733	4,138	2,921	0
Meters Plastic Case	8	736	610	102	2	12	3	4	3	0
Meters Other	8	260,260	215,937	36,020	729	4,112	1,197	1,327	937	0
Meters Other-Rem Rdr Unts	8	9,311	7,726	1,289	26	147	43	47	34	0
Meter Installations	8	1,207,265	1,001,668	167,086	3,380	19,075	5,553	6,157	4,346	0
Meter Vaults	8	270,588	224,507	37,449	758	4,275	1,245	1,380	974	0
Hydrants	7	1,341,253	0	0	0	0	0	0	0	1,341,253
Other P/E Intangible	17	15,260	9,235	2,123	35	174	467	1,264	296	1,666
Other P/E CPS	14	106,011	68,568	13,644	223	1,081	2,587	8,110	2,438	9,361
Office Furniture & Equip	14	(4,085)	(2,642)	(526)	(9)	(42)	(100)	(313)	(94)	(361)

PTC-25

Schedule C-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Comp & Periph Equip	14	106,658	68,986	13,727	224	1,088	2,602	8,159	2,453	9,418
Computer Software	14	40,988	26,511	5,275	86	418	1,000	3,136	943	3,619
Comp Software Mainframe	14	301,441	194,972	38,795	633	3,075	7,355	23,060	6,933	26,617
Comp Software Mainframe - CIS	12	154,183	138,456	11,471	185	1,033	108	123	2,806	0
Comp Software Other	14	408	264	52	1	4	10	31	9	36
Data Handling Equipment	14	55,130	35,658	7,095	116	562	1,345	4,217	1,268	4,868
Other Office Equipment	14	6,591	4,263	848	14	67	161	504	152	582
Trans Equip Lt Duty Trks	14	102,035	65,996	13,132	214	1,041	2,490	7,806	2,347	9,010
Trans Equip Hvy Duty Trks	14	(1,054)	(682)	(136)	(2)	(11)	(26)	(81)	(24)	(93)
Trans Equip Autos	14	(18,420)	(11,914)	(2,371)	(39)	(188)	(449)	(1,409)	(424)	(1,627)
Trans Equip Other	14	(17,150)	(11,093)	(2,207)	(36)	(175)	(418)	(1,312)	(394)	(1,514)
Stores Equipment	14	667	432	86	1	7	16	51	15	59
Tools,Shop,Garage Equip	14	52,900	34,216	6,808	111	540	1,291	4,047	1,217	4,671
Laboratory Equipment	2	18,438	12,352	2,832	50	219	985	1,960	7	33
Power Operated Equipment	14	(371)	(240)	(48)	(1)	(4)	(9)	(28)	(9)	(33)
Comm Equip Non-Telephone	14	(16,236)	(10,502)	(2,090)	(34)	(166)	(396)	(1,242)	(373)	(1,434)
Remote Control & Instr	14	56,936	36,826	7,328	120	581	1,389	4,356	1,310	5,027
Comm Equip Telephone	14	(7)	(4)	(1)	(0)	(0)	(0)	(1)	(0)	(1)
Misc Equipment	14	115,266	74,554	14,835	242	1,176	2,812	8,818	2,651	10,178
Other Tangible Property	17	0	0	0	0	0	0	0	0	0
Total Utility Plant in Service		33,088,481	20,020,079	4,604,012	77,618	377,545	1,012,106	2,739,282	643,315	3,614,523
Other Rate Base Items										
Add:										
Materials and Supplies	14	31,004	20,053	3,990	65	316	756	2,372	713	2,738
Prepayments	14	25,195	16,296	3,243	53	257	615	1,927	579	2,225
Pension / OPEB Tracker	16	182,139	125,749	22,148	364	1,785	4,371	12,130	3,406	12,185
Tank Painting Tracker	5	18,511	11,282	3,230	46	250	424	2,081	220	977
Less:										
Accumulated Deferred ITC (3%)	17	(279)	(169)	(39)	(1)	(3)	(9)	(23)	(5)	(30)
Deferred Income Taxes	17	(6,832,610)	(4,135,096)	(950,416)	(15,715)	(77,892)	(209,078)	(565,740)	(132,553)	(746,121)
Pensions	16	(170,065)	(117,413)	(20,680)	(340)	(1,667)	(4,082)	(11,326)	(3,180)	(11,377)
Total Other Rate Base Elements		(6,746,105)	(4,079,297)	(938,524)	(15,527)	(76,953)	(207,001)	(558,579)	(130,819)	(739,404)
Total Original Cost Measure of Value		\$ 26,342,376	\$ 15,940,782	\$ 3,665,488	\$ 62,090	\$ 300,592	\$ 805,105	\$ 2,180,703	\$ 512,496	\$ 2,875,119

PTC-26

Schedule C-PTC

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	5,831	0.8364
Commercial - Rate A	973	0.1396
Industrial - Rate A	20	0.0029
Other Public Authority - Rate A	111	0.0159
Sales for Resale - Rate B	0	0.0000
Rate J - Large Industrial	36	0.0052
Private Fire	0	0.0000
	<u>6,971</u>	<u>1.0000</u>
Total	<u><u>6,971</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	N/A	2.867	N/A	N/A
1991	N/A	2.950	N/A	N/A
1992	N/A	2.700	N/A	N/A
1993	N/A	2.310	N/A	N/A
1994	1.710	3.200	1.87	N/A
1995	1.627	3.319	2.04	N/A
1996	1.764	3.200	1.81	N/A
1997	1.860	3.106	1.67	7/26/1997
1998	1.719	3.360	1.95	7/19/1998
1999	1.893	4.200	2.22	7/18/1999
2000	2.229	4.582	2.06	7/16/2000
2001	2.146	4.783	2.23	7/22/2001
2002	2.349	5.088	2.17	7/26/2002
2003	2.488	6.626	2.66	8/23/2003
2004	2.087	4.630	2.22	8/18/2004
2005	2.238	5.328	2.38	8/2/2005
2006	2.480	5.945	2.40	7/19/2006
2007	2.338	5.486	2.35	8/6/2007
2008	1.962	3.361	1.71	9/1/2008
2009	1.883	3.487	1.85	8/8/2009
2010	2.074	4.443	2.14	8/19/2010
2011	2.173	4.476	2.06	7/25/2011
2012	2.627	6.239	2.37	6/29/2012
2013	2.368	7.394	3.12	7/22/2013
2014	2.287	5.097	2.23	7/30/2014

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WATER DISTRICT

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	1	4	
3 -inch	9.00	1	9	
4 -inch	16.00	11	176	
6 -inch	36.00	47	1,692	
8 -inch	64.00	9	576	
10 -inch	100.00	5	500	
12 -inch	144.00	0	0	
Private Hydrants	26.50	34	901	
Total Private Fire Protection		108	3,858	0.1849
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
5 1/4" Valve	1- 2-1/2" & 1- 4 1/2"	26.50	591	15,662
4 1/2" Valve	1-2 1/2"	6.25	215	1,344
Total Public Fire Protection		806	17,006	0.8151
Total Fire Protection		914	20,864	1.0000

MISSOURI AMERICAN WATER
 PLATTE COUNTY WATER DISTRICT
 CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
 INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	408,675	7,028 5/8 Equivalents	4.85
Services	242,365	7,526 3/4 Equivalents	2.68
Billing/Collecting	<u>628,260</u>	69,936 Bills	<u>8.98</u>
Subtotal	1,279,301		16.51
Unrecovered Public Fire	<u>722,152</u>	7,028 5/8 Equivalents	8.56
Total	<u><u>2,001,453</u></u>		<u><u>25.07</u></u>

PTC-30

Schedule F-PTC

ST. JOSEPH DISTRICT

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed In
	Amount	Percent	Amount	Percent	Amount	Percent	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Residential	\$ 12,055,110	51.9%	\$ 11,319,736	51.0%	\$ 12,551,210	57.2%	\$ 1,231,474
Commercial	3,170,294	13.6%	3,345,893	15.1%	3,480,155	15.8%	134,262
Industrial	841,937	3.6%	769,589	3.5%	1,017,522	4.6%	247,933
Public Authority	<u>466,501</u>	<u>2.0%</u>	<u>577,320</u>	<u>2.6%</u>	<u>610,186</u>	<u>2.8%</u>	<u>32,866</u>
Total - Rate A	16,533,842	71.1%	16,012,537	72.2%	17,659,073	80.4%	1,646,536
Sales for Resale	2,576,896	11.1%	2,225,269	10.0%	1,748,156	8.0%	(477,113)
Rate J - Large Users	3,820,936	16.4%	3,621,157	16.3%	2,291,549	10.4%	(1,329,608)
Private Fire Service	331,624	1.4%	322,003	1.5%	267,227	1.2%	(54,776)
Public Fire Service	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>	<u>0.0%</u>	<u>-</u>
Total Sales	23,263,298	<u>100.0%</u>	22,180,966	<u>100.0%</u>	21,966,005	<u>100.0%</u>	(214,961)
Other Revenues*	<u>\$ 694,373</u>		<u>\$ 687,362</u>		<u>\$ 694,373</u>		<u>7,011</u>
Total	<u>\$ 23,957,671</u>		<u>\$ 22,868,328</u>		<u>\$ 22,660,378</u>		<u>\$ (207,950)</u>

SJO-1

Schedule A-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (7)	Large Users (8)	Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES										
SOURCE OF SUPPLY EXPENSES										
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	92,418	36,173	12,837	3,992	2,255	15,628	21,108	83	342
Purchased Water	1	0	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		92,418	36,173	12,837	3,992	2,255	15,628	21,108	83	342
Misc Exp Oper SS	2	(222)	(87)	(31)	(10)	(5)	(38)	(51)	(0)	(1)
Collect & Impound Maint SS - Labor	2	229	90	32	10	6	39	52	0	1
Lake, River & Oth Maint SS - Labor	2	1	0	0	0	0	0	0	0	0
Wells & Springs Maint SS - Labor	2	5	2	1	0	0	1	1	0	0
Infiltr Gall & Tunnels Maint SS - Labor	2	35	14	5	2	1	6	8	0	0
Supply Mains Maint SS - Labor	2	9	3	1	0	0	1	2	0	0
Misc Plant Maint SS - Labor	2	19	7	3	1	0	3	4	0	0
Misc Plant Maint SS	2	2,842	1,112	395	123	69	481	649	3	11
TOTAL SS EXPENSE - MAINTENANCE		2,918	1,142	405	126	71	493	666	3	11
TOTAL SS EXPENSE		95,336	37,315	13,242	4,119	2,326	16,121	21,775	86	353
POWER AND PUMPING EXPENSES										
Super & Eng Oper P	3	38,643	14,058	4,989	1,550	877	6,071	8,204	572	2,322
Purch Fuel/Power for Pump	1	991,138	340,753	131,821	47,376	23,193	176,423	264,634	1,388	5,550
Labor & Exp Oper Pump - Labor	3	423,188	153,956	54,634	16,970	9,606	66,483	89,843	6,263	25,434
Labor & Exp Oper Pump	3	85	31	11	3	2	13	18	1	5
Misc Exp Oper P	3	17,796	6,474	2,298	714	404	2,796	3,778	263	1,070
Rents Oper P	3	0	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		1,470,851	515,273	193,752	66,613	34,082	251,785	366,477	8,487	34,381
Super & Eng Maint P	3	37,939	13,802	4,898	1,521	861	5,960	8,054	561	2,280
Struct & Improve Maint P - Labor	3	279	101	36	11	6	44	59	4	17
Pump Equip Maint P - Labor	3	17,119	6,228	2,210	686	389	2,689	3,634	253	1,029
Pump Equip Maint P	3	0	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		55,337	20,132	7,144	2,219	1,256	8,693	11,748	819	3,326
TOTAL PUMPING EXPENSES		1,526,188	535,404	200,896	68,832	35,338	260,479	378,225	9,306	37,707
WATER TREATMENT										
Super & Eng Oper WT	2	64,599	25,284	8,973	2,791	1,576	10,924	14,754	58	239
Chemicals	1	656,605	225,741	87,328	31,386	15,365	116,876	175,314	919	3,677
Labor & Exp Oper WT	2	93,502	36,597	12,987	4,039	2,281	15,811	21,356	84	346
Misc Exp Oper WT	1	477,979	164,329	63,571	22,847	11,185	85,080	127,620	669	2,677
Rents Oper WT	2	1,870	732	260	81	46	316	427	2	7
TOTAL WT EXPENSE - OPERATION		1,294,555	452,683	173,120	61,144	30,453	229,007	339,471	1,732	6,946

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Schedule B-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (7)	Large Users (8)	Private (9)	Public (10)
Super & Eng Maint WT	2	67	26	9	3	2	11	15	0	0
Super & Eng Maint WT - Contractors	2	20,174	7,896	2,802	872	492	3,411	4,608	18	75
WT Equip Maint WT - Labor	2	302	118	42	13	7	51	69	0	1
WT Equip Maint WT	2	219,279	85,826	30,458	9,473	5,350	37,080	50,083	197	811
TOTAL WT EXPENSE - MAINTENANCE		239,822	93,866	33,311	10,360	5,852	40,554	54,775	216	887
TOTAL WT EXPENSE		1,534,378	546,549	206,431	71,504	36,304	269,561	394,247	1,948	7,833
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	10	23,896	13,296	3,384	769	476	502	1,775	867	2,827
TD Lines Exp - Labor	6	346,302	146,243	50,595	14,302	8,900	10,354	38,543	15,203	62,161
TD Lines Exp	6	4,290	1,812	627	177	110	128	477	188	770
Meter Expense - Labor	8	140,704	117,811	18,573	2,139	1,196	563	380	42	0
Meter Expense	8	260	218	34	4	2	1	1	0	0
Customer Install Exp - Labor	9	40,403	29,882	5,507	529	368	121	109	3,887	0
Customer Install Exp	9	45	33	6	1	0	0	0	4	0
Misc Exp Oper TD - Labor	10	19,491	10,845	2,760	628	388	409	1,448	708	2,306
Misc Exp Oper TD	10	56,953	31,689	8,065	1,834	1,133	1,196	4,232	2,067	6,738
Rents Oper TD	10	1,268	706	180	41	25	27	94	46	150
TOTAL T & D EXPENSE OPERATION		633,612	352,534	89,729	20,424	12,598	13,302	47,060	23,013	74,952
Super & Eng Maint TD	11	42,277	17,135	4,811	1,196	740	816	2,947	1,264	13,368
Struct & Improve Maint TD - Labor	11	7	3	1	0	0	0	1	0	2
TD Main Maint TD - Labor	6	41,562	17,552	6,072	1,717	1,068	1,243	4,626	1,825	7,460
TD Main Maint TD	6	158,490	66,930	23,155	6,546	4,073	4,739	17,640	6,958	28,449
Services Maint TD - Labor	9	8,546	6,320	1,165	112	78	26	23	822	0
Meters Maint TD - Labor	8	47,099	39,436	6,217	716	400	188	127	14	0
Hydrants Maint TD - Labor	7	65,706	0	0	0	0	0	0	0	65,706
Mat and Sup Maint TD - Labor	11	21,589	8,750	2,457	611	378	417	1,505	646	6,826
Mat and Sup Maint TD	11	150,008	60,798	17,071	4,245	2,625	2,895	10,456	4,485	47,433
Permits	5	0	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE - MAINTENANCE		535,284	216,924	60,949	15,143	9,362	10,323	37,324	16,014	169,245
TOTAL T & D EXPENSE		1,168,895	569,458	150,679	35,567	21,961	23,625	84,384	39,026	244,196
CUSTOMER ACCOUNTS										
Supervision CA	12	32,670	29,259	2,757	111	0	20	23	500	0
Meter Reading Exp CA - Labor	13	250,445	227,755	21,488	877	0	150	175	0	0
Meter Reading Exp CA	13	4,410	4,010	378	15	0	3	3	0	0
Cust Rec & Collection CA - Labor	12	20,219	18,108	1,706	69	0	12	14	309	0
Cust Rec & Collection CA	12	243,331	217,927	20,537	827	0	146	170	3,723	0
Uncollectible Accts	12	279,682	250,483	23,605	951	0	168	196	4,279	0
Misc Cust Accts Exp CA - Labor	12	3,762	3,370	318	13	0	2	3	58	0
Misc Cust Accts Exp CA	12	10,463	9,371	883	36	0	6	7	160	0
Cust Serv & Info Exp CA - Labor	12	216	193	18	1	0	0	0	3	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		845,198	760,476	71,691	2,899	0	507	592	9,032	0
ADMINISTRATIVE AND GENERAL EXPENSES										

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Schedule B-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large Users	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8)	(9)	(10)
Salaries AG	14	640,904	305,968	79,536	22,432	11,793	69,474	107,223	7,563	36,916
Other Supplies & Exp AG	14	142,820	68,182	17,724	4,999	2,628	15,482	23,894	1,685	8,226
Mgmt Fees-Admin	14	1,603,146	765,342	198,950	56,110	29,498	173,781	268,206	18,917	92,341
Mgmt Fees-Customer Service	12	294,503	263,756	24,856	1,001	0	177	206	4,506	0
Mgmt Fees-Belleville Lab	2	9,245	3,619	1,284	399	226	1,563	2,112	8	34
Mgmt Fees- Employee	16	99,739	51,655	12,128	2,992	1,676	7,560	12,148	1,775	9,804
Outside Services AG	14	103,095	49,217	12,794	3,608	1,897	11,175	17,248	1,217	5,938
Outside Services AG	14	0	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	14	231,766	110,645	28,762	8,112	4,264	25,123	38,774	2,735	13,350
Ins Work Comp AG	16	75,720	39,216	9,208	2,272	1,272	5,740	9,223	1,348	7,443
Ins Other Oper AG	14	36,814	17,575	4,569	1,288	677	3,991	6,159	434	2,120
Insurance Vehicle	14	9,919	4,735	1,231	347	183	1,075	1,659	117	571
Injuries & Damages	16	13,729	7,110	1,669	412	231	1,041	1,672	244	1,350
Employee Pension & Benefits	16	696,228	360,576	84,661	20,887	11,697	52,774	84,801	12,393	68,439
Reg Commission Exp	19	65,015	30,225	8,309	2,289	1,268	7,197	10,662	930	4,135
Rents AG	14	40,152	19,169	4,983	1,405	739	4,352	6,717	474	2,313
Goodwill Advertising Exp	14	1,247	595	155	44	23	135	209	15	72
Misc Exp AG	14	175,012	83,551	21,719	6,125	3,220	18,971	29,280	2,065	10,081
Research & Development	14	5,877	2,806	729	206	108	637	983	69	339
TOTAL A & G OPERATIONS		4,244,930	2,183,942	513,268	134,928	71,398	400,249	621,177	56,495	263,473
General Plant Maint AG - Labor	14	0	0	0	0	0	0	0	0	0
Maint Exp ARO/Net Neg Sal AG	14	0	0	0	0	0	0	0	0	0
General Plant Maint AG	14	47,318	22,590	5,872	1,656	871	5,129	7,916	558	2,726
TOTAL A & G EXPENSE - MAINTENANCE		47,318	22,590	5,872	1,656	871	5,129	7,916	558	2,726
TOTAL A & G EXPENSE		4,292,248	2,206,532	519,140	136,584	72,269	405,379	629,093	57,054	266,198
Total Operation & Maintenance Expenses		9,462,243	4,655,734	1,162,080	319,504	168,198	975,672	1,508,315	116,452	556,287
DEPRECIATION EXPENSE										
Struct & Imp SS	2	41,047	16,066	5,701	1,773	1,002	6,941	9,375	37	152
Struct & Imp P	3	182,323	66,329	23,538	7,311	4,139	28,643	38,707	2,698	10,958
Struct & Imp WT	2	557,917	218,369	77,495	24,102	13,613	94,344	127,428	502	2,064
Struct & Imp TD	6	6,363	2,687	930	263	164	190	708	279	1,142
Struct & Imp AG	14	7,103	3,391	881	249	131	770	1,188	84	409
Struct & Imp Offices	14	35,007	16,712	4,344	1,225	644	3,795	5,857	413	2,016
Struct & Imp Store,Shop,Gar	14	5,854	2,795	726	205	108	635	979	69	337
Struct & Imp Misc	14	40,896	19,524	5,075	1,431	752	4,433	6,842	483	2,356
Lake, River & Other Intakes	2	245	96	34	11	6	41	56	0	1
Wells & Springs	2	670	262	93	29	16	113	153	1	2
Supply Mains	2	135,768	53,140	18,858	5,865	3,313	22,958	31,009	122	502
Power Generation Equip	3	3,186	1,159	411	128	72	501	676	47	191
Pump Equip Electric	3	125,612	45,698	16,217	5,037	2,851	19,734	26,667	1,859	7,549
Pump Equip Diesel	3	7,526	2,738	972	302	171	1,182	1,598	111	452
Pump Equip Other	3	118	43	15	5	3	19	25	2	7
Pump Equip WT	3	784	285	101	31	18	123	166	12	47

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Schedule B-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large Users	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8)	(9)	(10)
WT Equip Non-Media	3	489,194	177,969	63,155	19,617	11,105	76,852	103,856	7,240	29,401
WT Equip Filter Media	2	653	256	91	28	16	110	149	1	2
Dist Reservoirs & Standpipe	5	28,053	10,068	3,436	929	603	3,899	5,195	771	3,150
Elevated Tanks & Standpipes	5	7,126	2,558	873	236	153	991	1,320	196	800
Ground Level Facilities	5	36	13	4	1	1	5	7	1	4
TD Mains Not Classified by	6	58,941	24,891	8,611	2,434	1,515	1,762	6,560	2,588	10,580
TD Mains 4" & Less	4	31,045	13,533	4,660	1,291	820	0	2,720	1,577	6,445
TD Mains 6 to 8"	4	122,902	53,573	18,448	5,113	3,245	0	10,766	6,243	25,514
TD Mains 10 to 16"	3	240,901	87,640	31,100	9,660	5,468	37,846	51,143	3,565	14,478
TD Mains 18" & Grtr	3	76,637	27,881	9,894	3,073	1,740	12,040	16,270	1,134	4,606
Services	9	186,081	137,626	25,363	2,438	1,693	558	502	17,901	0
Meters Bronze Case	8	124,956	104,626	16,494	1,899	1,062	500	337	37	0
Meters Plastic Case	8	40	33	5	1	0	0	0	0	0
Meters Other	8	19,713	16,506	2,602	300	168	79	53	6	0
Meters Other-Rem Rdr Unts	8	1,897	1,588	250	29	16	8	5	1	0
Meter Installations	8	97,974	82,034	12,933	1,489	833	392	265	29	0
Meter Vaults	8	16,898	14,149	2,231	257	144	68	46	5	0
Hydrants	7	69,552	0	0	0	0	0	0	0	69,552
Other P/E WT Res Hand Equip	2	48,264	18,891	6,704	2,085	1,178	8,161	11,023	43	179
Other P/E WT CPS	14	9,713	4,637	1,205	340	179	1,053	1,625	115	559
Office Furniture & Equip	14	10,295	4,915	1,278	360	189	1,116	1,722	121	593
Comp & Periph Equip	14	142,244	67,907	17,652	4,979	2,617	15,419	23,797	1,678	8,193
Computer Software	14	28,606	13,657	3,550	1,001	526	3,101	4,786	338	1,648
Comp Software Mainframe	14	220,207	105,127	27,328	7,707	4,052	23,870	36,841	2,598	12,684
Comp Software Mainframe - CIS	12	112,633	100,874	9,506	383	0	68	79	1,723	0
Comp Software Other	14	287	137	36	10	5	31	48	3	17
Data Handling Equipment	14	2,565	1,225	318	90	47	278	429	30	148
Other Office Equipment	14	11,859	5,661	1,472	415	218	1,286	1,984	140	683
Trans Equip Lt Duty Trks	14	29,970	14,308	3,719	1,049	551	3,249	5,014	354	1,726
Trans Equip Other	14	2,360	1,127	293	83	43	256	395	28	136
Stores Equipment	14	9,698	4,630	1,203	339	178	1,051	1,622	114	559
Tools,Shop,Garage Equip	14	53,687	25,630	6,663	1,879	988	5,820	8,982	634	3,092
Laboratory Equipment	2	25,148	9,843	3,493	1,086	614	4,252	5,744	23	93
Laboratory Equip Other	2	1,219	477	169	53	30	206	278	1	5
Power Operated Equipment	14	6,264	2,990	777	219	115	679	1,048	74	361
Comm Equip Non-Telephone	14	13,886	6,629	1,723	486	256	1,505	2,323	164	800
Remote Control & Instr	14	6,758	3,226	839	237	124	733	1,131	80	389
Comm Equip Telephone	14	558	267	69	20	10	61	93	7	32
Misc Equipment	14	12,297	5,871	1,526	430	226	1,333	2,057	145	708
Other Tangible Property	14	182	87	23	6	3	20	30	2	10
Total Depreciation Expense		3,471,718	1,602,348	445,089	120,018	67,734	393,078	561,684	56,431	225,335

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Schedule B-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (7)	Large Users (8)	Private (9)	Public (10)
Amort-Other UP	18	11,121	4,900	1,471	409	235	1,304	1,886	170	745
Amort-UPAA	2	1,889	739	262	82	46	319	431	2	7
Amort-Property Losses	2	11,072	4,334	1,538	478	270	1,872	2,529	10	41
Taxes Other Than Income										
Utility Reg Assessment Fee	19	204,144	94,907	26,090	7,186	3,981	22,599	33,480	2,919	12,984
Property Taxes	18	1,315,072	579,421	173,984	48,395	27,748	154,258	223,036	20,121	88,110
Payroll Taxes	16	175,614	90,950	21,355	5,268	2,950	13,312	21,390	3,126	17,263
Other Taxes & Licenses	14	11,761	5,615	1,460	412	216	1,275	1,968	139	677
Gross Receipts Tax	19	0	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		1,706,591	770,892	222,888	61,261	34,896	191,443	279,873	26,305	119,034
Income Taxes	18	2,905,330	1,280,088	384,375	106,916	61,302	340,795	492,744	44,452	194,657
Utility Income Available for Return	18	6,387,707	2,814,424	845,094	235,068	134,781	749,278	1,083,355	97,732	427,976
Total Cost of Service		23,957,671	11,133,459	3,062,797	843,736	467,462	2,653,763	3,930,817	341,553	1,524,082
Less: Other Water Revenues and Contract Rev	19	694,373	322,814	88,741	24,442	13,540	76,867	113,877	9,930	44,162
Total Cost of Service Related to Sales of Water		23,263,298	10,810,645	2,974,056	819,294	453,922	2,576,896	3,816,940	331,624	1,479,920
Reallocation of Public Fire	20	0	1,244,465	196,237	22,643	12,579	0	3,996	0	(1,479,920)
Total		\$ 23,263,298	\$ 12,055,110	\$ 3,170,294	\$ 841,937	\$ 466,501	\$ 2,576,896	\$ 3,820,936	\$ 331,624	\$ -

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Schedule B-SJO

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

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

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

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

Customer Classification <u>(1)</u>	Average Daily Consumption, 100 Gallons <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	41,872	0.3438
Commercial - Rate A	16,197	0.1330
Industrial - Rate A	5,819	0.0478
Other Public Authority - Rate A	2,846	0.0234
Sales for Resale - Rate B	21,676	0.1780
Rate J - Large Users	32,511	0.2670
Private Fire Protection	166	0.0014
Public Fire Protection	678	0.0056
Total	<u><u>121,765</u></u>	<u><u>1.0000</u></u>

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

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

Customer Classification <u>(1)</u>	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor <u>(6)=(3)+(5)</u>
	Allocation Factor 1 <u>(2)</u>	Weighted Factor <u>(3)=(2)x</u>	Allocation Factor <u>(4)</u>	Weighted Factor <u>(5)=(4)x</u>	
		0.6667		0.3333	
Residential - Rate A	0.3438	0.2292	0.4867	0.1622	0.3914
Commercial - Rate A	0.1330	0.0887	0.1506	0.0502	0.1389
Industrial - Rate A	0.0478	0.0319	0.0338	0.0113	0.0432
Other Public Authority - R:	0.0234	0.0156	0.0265	0.0088	0.0244
Sales for Resale - Rate B	0.1780	0.1187	0.1512	0.0504	0.1691
Rate J - Large Users	0.2670	0.1780	0.1512	0.0504	0.2284
Private Fire Protection	0.0014	0.0009			0.0009
Public Fire Protection	0.0056	0.0037			0.0037
Total	<u><u>1.0000</u></u>	<u><u>0.6667</u></u>	<u><u>1.0000</u></u>	<u><u>0.3333</u></u>	<u><u>1.0000</u></u>

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

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

Customer Classification	Average Daily Consumption, 100 Gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	41,872	1.0	41,872	0.4867
Commercial - Rate A	16,197	0.8	12,958	0.1506
Industrial - Rate A	5,819	0.5	2,910	0.0338
Other Public Authority - Rate A	2,846	0.8	2,277	0.0265
Sales for Resale - Rate B	21,676	0.6	13,006	0.1512
Rate J - Large Users	32,511	0.4	13,004	0.1512
Total	120,921		86,027	1.0000

The weighting of the factors is based on the maximum day ratio of 1.50, based on a review of maximum day ratios experienced during the period 1990 through 2014 (see Schedule D).

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

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
	(2)	(3)=(2) X 0.6197	(4)	(5)=(4) X 0.3098	(6)	(7)=(6) X 0.0705	
Residential - Rate A	0.3438	0.2130	0.4867	0.1508			0.3638
Commercial - Rate A	0.1330	0.0824	0.1506	0.0467			0.1291
Industrial - Rate A	0.0478	0.0296	0.0338	0.0105			0.0401
Other Public Authority - Rate A	0.0234	0.0145	0.0265	0.0082			0.0227
Sales for Resale - Rate B	0.1780	0.1103	0.1512	0.0468			0.1571
Rate J - Large Users	0.2670	0.1655	0.1512	0.0468			0.2123
Private Fire Protection	0.0014	0.0009			0.1966	0.0139	0.0148
Public Fire Protection	0.0056	0.0035			0.8034	0.0566	0.0601
Total	1.0000	0.6197	1.0000	0.3098	1.0000	0.0705	1.0000

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Schedule C-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.50 and the average daily system sendout for 2014 of 16.878 MGD. The system demand for fire protection is 8,000 Gallons per minute for 4 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	16,877,888	0.6197
Maximum Day Extra Capacity	<u>0.50</u>	<u>8,438,944</u>	<u>0.3098</u>
Subtotal	<u><u>1.50</u></u>	25,316,832	0.9295
Fire Protection		<u>1,920,000</u>	<u>0.0705</u>
Total		<u><u>27,236,832</u></u>	<u><u>1.0000</u></u>

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

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3728	(5)	(6)=(5) X 0.3728	(7)	(8)=(7) X 0.2544	(9)=(4)+(6)+(8)
Residential - Rate A	1,744.7	0.5243	0.1954	0.6454	0.2405			0.4359
Commercial - Rate A	674.9	0.2028	0.0756	0.1998	0.0745			0.1501
Industrial - Rate A	242.5	0.0729	0.0272	0.0385	0.0144			0.0416
Other Public Authority - Rate A	118.6	0.0356	0.0133	0.0351	0.0131			0.0264
Sales for Resale - Rate B	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate J - Large Users	511.9	0.1538	0.0573	0.0812	0.0303			0.0876
Private Fire Protection	6.9	0.0021	0.0008			0.1966	0.0500	0.0508
Public Fire Protection	28.3	0.0085	0.0032			0.8034	0.2044	0.2076
Total	3,327.8	1.0000	0.3728	1.0000	0.3728	1.0000	0.2544	1.0000

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

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Schedule C-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.0 and the average daily system sendout for 2014 of 16.878 MGD. The system demand for fire protection is 8,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	11,721	0.3728
Maximum Hour Extra Capacity	<u>1.00</u>	<u>11,721</u>	<u>0.3728</u>
Subtotal	<u>2.00</u>	23,442	0.7456
Fire Protection		<u>8,000</u>	<u>0.2544</u>
Total		<u>31,442</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 100 Gallons	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	1,744.7	3.5	6,106.5	0.6454
Commercial - Rate A	674.9	2.8	1,889.7	0.1998
Industrial - Rate A	242.5	1.5	363.8	0.0385
Other Public Authority - Rate A	118.6	2.8	332.1	0.0351
Sales for Resale - Rate B	0.0	2.0	0.0	0.0000
Rate J - Large Users	<u>511.9</u>	1.5	<u>767.8</u>	<u>0.0812</u>
Total	<u>3,292.6</u>		<u>9,459.9</u>	<u>1.0000</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.4316	(5)	(6)=(5) X 0.4316	(7)	(8)=(7) X 0.1368	(9)=(4)+(6)+(8)
Residential - Rate A	1,744.7	0.3438	0.1485	0.4873	0.2104			0.3589
Commercial - Rate A	674.9	0.1330	0.0574	0.1508	0.0651			0.1225
Industrial - Rate A	242.5	0.0478	0.0206	0.0290	0.0125			0.0331
Other Public Authority - Rate A	118.6	0.0234	0.0101	0.0265	0.0114			0.0215
Sales for Resale - Rate B	903.2	0.1780	0.0768	0.1442	0.0622			0.1390
Rate J - Large Users	1,354.6	0.2670	0.1152	0.1622	0.0700			0.1852
Private Fire Protection	6.9	0.0014	0.0006			0.1966	0.0269	0.0275
Public Fire Protection	28.3	0.0056	0.0024			0.8034	0.1099	0.1123
Total	5,073.7	1.0000	0.4316	1.0000	0.4316	1.0000	0.1368	1.0000

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

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MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

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

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

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

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

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

Customer Classification (1)	Average Hourly Consumption Thousand Gal. (2)	Factor* (3)	Maximum Hour Extra Capacity	
			1,000 Gallons Per Hour (4)=(2)x(3)	Allocation Factor (5)
Residential - Rate A	1,744.7	3.5	6,106.5	0.4873
Commercial - Rate A	674.9	2.8	1,889.7	0.1508
Industrial - Rate A	242.5	1.5	363.8	0.0290
Other Public Authority - Rate A	118.6	2.8	332.1	0.0265
Sales for Resale - Rate B	903.2	2.0	1,806.4	0.1442
Rate J - Large Users	1,354.6	1.5	2,031.9	0.1622
Total	5038.5		12,530.4	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1903	(4)	(5)=(4)X 0.8097	(6)=(3)+(5)
Residential - Rate A	0.3638	0.0693	0.4359	0.3530	0.4223
Commercial - Rate A	0.1291	0.0246	0.1501	0.1215	0.1461
Industrial - Rate A	0.0401	0.0076	0.0416	0.0337	0.0413
Other Public Authority - Rate A	0.0227	0.0043	0.0264	0.0214	0.0257
Sales for Resale - Rate B	0.1571	0.0299	0.0000	0.0000	0.0299
Rate J - Large Users	0.2123	0.0404	0.0876	0.0709	0.1113
Private Fire Protection	0.0148	0.0028	0.0508	0.0411	0.0439
Public Fire Protection	0.0601	0.0114	0.2076	0.1681	0.1795
Total	<u>1.0000</u>	<u>0.1903</u>	<u>1.0000</u>	<u>0.8097</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	623,836	0.1903
Distribution Mains	<u>2,654,382</u>	<u>0.8097</u>
Total	<u>3,278,218</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	31,239	0.8373
Commercial - Rate A	4,926	0.1320
Industrial - Rate A	569	0.0152
Other Public Authority - Rate A	317	0.0085
Sales for Resale - Rate B	150	0.0040
Rate J - Large Users	100	0.0027
Private Fire	<u>11</u>	<u>0.0003</u>
Total	<u><u>37,312</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Rate A								Rate B		Rate J		Rate F		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire			
		Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting	Number of Meters	Weighting
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(13)	(14)=(2)X(13)	(15)	(16)=(2)X(15)
5/8	1.0	26,587	26,587	1,677	1,677	11	11	39	39	0	0	0	0	11	11	28,325	28,325
3/4	2.1	1,543	3,240	150	315	6	13	32	67	0	0	0	0		0	1,731	3,635
1	2.0	662	1,324	422	844	16	32	91	182	0	0	7	14		0	1,198	2,396
1-1/2	3.5	7	25	82	287	2	7	7	25	0	0	0	0		0	98	344
2	4.3	13	56	358	1,539	51	219	1	4	11	47	11	47		0	445	1,912
3	7.0	1	7	14	98	4	28	-	0	0	0	4	28		0	23	161
4	10.5	0	0	11	116	15	158	-	0	5	53	1	11		0	32	338
6	16.8	0	0	3	50	6	101	-	0	3	50	0	0		0	12	201
8	64.0	0	0	0	0	0	0	-	0	0	0	0	0		0	0	0
Total		<u>28,813</u>	<u>31,239</u>	<u>2,717</u>	<u>4,926</u>	<u>111</u>	<u>569</u>	<u>170</u>	<u>317</u>	<u>19</u>	<u>150</u>	<u>23</u>	<u>100</u>	<u>11</u>	<u>11</u>	<u>31,864</u>	<u>37,312</u>

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MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	30,182	0.7396
Commercial - Rate A	5,563	0.1363
Industrial - Rate A	533	0.0131
Other Public Authority - Rate A	373	0.0091
Sales for Resale - Rate B	123	0.0030
Rate J - Large Users	110	0.0027
Private Fire Protection	<u>3,924</u>	<u>0.0962</u>
Total	<u><u>40,808</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Rate A								Rate B		Rate J Large Users		Rate F Private Fire Protection		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting
		Number of Services	Weighting	Number of Services	Weighting	Number of Services	Weighting	Number of Servicees	Weighting	Number of Services	Weighting						
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	28,130	28,130	1,827	1,827	17	17	71	71	0	0	0	0	0	0	30,045	30,045
1	2.94	662	1,946	422	1,241	16	47	91	268	0	0	7	21	0	0	1,107	3,523
1-1/2	4.02	7	28	82	330	2	8	7	28	0	0	0	0	0	0	91	394
2	5.55	13	72	358	1,987	51	283	1	6	11	61	11	61	20	111	464	2,581
3	5.55	1	6	14	78	4	22	0	0	0	0	4	22	1	6	24	134
4	6.37	0	0	11	70	15	96	0	0	5	32	1	6	97	618	129	822
6	9.92	0	0	3	30	6	60	0	0	3	30	0	0	177	1,756	189	1,876
8	9.92	0	0	0	0	0	0	0	0	0	0	0	0	112	1,111	112	1,111
10	9.92	0	0	0	0	0	0	0	0	0	0	0	0	19	188	19	188
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	11	134	11	134
Total		<u>28,813</u>	<u>30,182</u>	<u>2,717</u>	<u>5,563</u>	<u>111</u>	<u>533</u>	<u>170</u>	<u>373</u>	<u>19</u>	<u>123</u>	<u>23</u>	<u>110</u>	<u>437</u>	<u>3,924</u>	<u>32,191</u>	<u>40,808</u>

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MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 10. 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 - Rate A	\$ 295,999	0.5564
Commercial - Rate A	75,342	0.1416
Industrial - Rate A	17,152	0.0322
Other Public Authority - Rate A	10,576	0.0199
Sales for Resale - Rate B	11,168	0.0210
Rate J - Large Users	39,511	0.0743
Private Fire Protection	19,324	0.0363
Public Fire Protection	62,931	0.1183
	<u>532,003</u>	<u>1.0000</u>
Total	<u>532,003</u>	<u>1.0000</u>

FACTOR 11. 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 - Rate A	\$ 130,238	0.4053
Commercial - Rate A	36,609	0.1138
Industrial - Rate A	9,090	0.0283
Other Public Authority - Rate A	5,619	0.0175
Sales for Resale - Rate B	6,196	0.0193
Rate J - Large Users	22,416	0.0697
Private Fire Protection	9,619	0.0299
Public Fire Protection	101,615	0.3162
	<u>\$321,402</u>	<u>1.0000</u>
Total	<u>\$321,402</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 12. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

<u>Customer Classification</u> (1)	<u>Total Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	28,813	0.8956
Commercial - Rate A	2,717	0.0844
Industrial - Rate A	111	0.0034
Other Public Authority - Rate A	0	0.0000
Sales for Resale - Rate B	19	0.0006
Rate J - Large Users	23	0.0007
Private Fire Protection	492	0.0153
Public Fire Protection	<u>0</u>	<u>0.0000</u>
 Total	 <u><u>32,175</u></u>	 <u><u>1.0000</u></u>

FACTOR 13. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

<u>Customer Classification</u> (1)	<u>Total Metered Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	28,813	0.9094
Commercial - Rate A	2,717	0.0858
Industrial - Rate A	111	0.0035
Other Public Authority - Rate A	0	0.0000
Sales for Resale - Rate B	19	0.0006
Rate J - Large Users	<u>23</u>	<u>0.0007</u>
 Total	 <u><u>31,683</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	\$2,399,885	0.4774
Commercial - Rate A	623,861	0.1241
Industrial - Rate A	176,064	0.0350
Other Public Authority - Rate A	92,573	0.0184
Sales for Resale - Rate B	544,760	0.1084
Rate J - Large Users	840,922	0.1673
Private Fire Protection	59,198	0.0118
Public Fire Protection	<u>289,285</u>	<u>0.0576</u>
 Total	 <u><u>\$5,026,548</u></u>	 <u><u>1.0000</u></u>

FACTOR 15. ALLOCATION OF ADMINISTRATIVE AND CASH WORKING CAPITAL

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

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential - Rate A	\$4,625,509	0.4920
Commercial - Rate A	1,153,771	0.1228
Industrial - Rate A	317,216	0.0338
Other Public Authority - Rate A	166,931	0.0178
Sales for Resale - Rate B	968,475	0.1031
Rate J - Large Users	1,497,652	0.1594
Private Fire Protection	115,523	0.0123
Public Fire Protection	<u>552,152</u>	<u>0.0588</u>
 Total	 <u><u>\$9,397,228</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$1,205,616	0.5179
Commercial - Rate A	283,197	0.1216
Industrial - Rate A	69,779	0.0300
Other Public Authority - Rate A	39,116	0.0168
Sales for Resale - Rate B	176,581	0.0758
Rate J - Large Users	283,624	0.1218
Private Fire Protection	41,423	0.0178
Public Fire Protection	228,897	0.0983
Total	<u>\$2,328,232</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 - Rate A	\$43,424,236	0.4405
Commercial - Rate A	13,044,390	0.1323
Industrial - Rate A	3,629,091	0.0368
Other Public Authority - Rate A	2,080,387	0.0211
Sales for Resale - Rate B	11,568,780	0.1173
Rate J - Large Users	16,725,892	0.1697
Private Fire Protection	1,511,075	0.0153
Public Fire Protection	6,603,751	0.0670
Total	<u>\$98,587,600</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$34,280,545	0.4406
Commercial - Rate A	10,289,811	0.1323
Industrial - Rate A	2,862,734	0.0368
Other Public Authority - Rate A	1,640,547	0.0211
Sales for Resale - Rate B	9,126,806	0.1173
Rate J - Large Users	13,196,392	0.1696
Private Fire Protection	1,193,077	0.0153
Public Fire Protection	5,214,068	0.0670
Total	<u>\$77,803,980</u>	<u>1.0000</u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS & 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 - Rate A	\$11,003,994	0.4649
Commercial - Rate A	3,026,861	0.1278
Industrial - Rate A	833,784	0.0352
Other Public Authority - Rate A	461,943	0.0195
Sales for Resale - Rate B	2,622,095	0.1107
Rate J - Large Users	3,884,146	0.1640
Private Fire Protection	337,694	0.0143
Public Fire Protection	1,506,923	0.0636
Total	<u>\$23,677,440</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (7)	Large Users (8)	Private (9)	Public (10)
RATE BASE										
Organization	17	\$ 13,096	\$ 5,769	\$ 1,733	\$ 482	\$ 276	\$ 1,536	\$ 2,222	\$ 200	\$ 877
Land & Ld Rights SS	2	1,414,424	553,606	196,463	61,103	34,512	239,179	323,054	1,273	5,233
Land & Ld Rights P	3	8,921	3,246	1,152	358	203	1,402	1,894	132	536
Land & Ld Rights TD	6	99,201	41,892	14,493	4,097	2,549	2,966	11,041	4,355	17,806
Land & Land Rights AG	14	8,112	3,873	1,007	284	149	879	1,357	96	467
Struct & Imp SS	2	1,523,035	596,116	211,550	65,795	37,162	257,545	347,861	1,371	5,635
Struct & Imp P	3	4,032,542	1,467,039	520,601	161,705	91,539	633,512	856,109	59,682	242,356
Struct & Imp WT	2	17,964,586	7,031,339	2,495,281	776,070	438,336	3,037,811	4,103,111	16,168	66,469
Struct & Imp TD	6	304,113	128,427	44,431	12,560	7,816	9,093	33,848	13,351	54,588
Struct & Imp AG	14	338,254	161,482	41,977	11,839	6,224	36,667	56,590	3,991	19,483
Struct & Imp Offices	14	2,065,453	986,047	256,323	72,291	38,004	223,895	345,550	24,372	118,970
Struct & Imp Store,Shop,Gar	14	126,567	60,423	15,707	4,430	2,329	13,720	21,175	1,493	7,290
Struct & Imp Misc	14	1,202,034	573,851	149,172	42,071	22,117	130,301	201,100	14,184	69,237
Lake, River & Other Intakes	2	1,165,405	456,140	161,875	50,346	28,436	197,070	266,179	1,049	4,312
Wells & Springs	2	63,269	24,764	8,788	2,733	1,544	10,699	14,451	57	234
Supply Mains	2	7,120,640	2,787,018	989,057	307,612	173,744	1,204,100	1,626,354	6,409	26,346
Power Generation Equip	3	105,163	38,258	13,577	4,217	2,387	16,521	22,326	1,556	6,320
Pump Equip Electric	3	5,238,829	1,905,886	676,333	210,077	118,921	823,020	1,112,203	77,535	314,854
Pump Equip Diesel	3	313,964	114,220	40,533	12,590	7,127	49,324	66,655	4,647	18,869
Pump Equip Other	3	4,981	1,812	643	200	113	783	1,058	74	299
Pump Equip WT	3	33,096	12,040	4,273	1,327	751	5,199	7,026	490	1,989
WT Equip Non-Media	2	9,307,288	3,642,872	1,292,782	402,075	227,098	1,573,862	2,125,784	8,377	34,437
WT Equip Filter Media	2	(156,672)	(61,322)	(21,762)	(6,768)	(3,823)	(26,493)	(35,784)	(141)	(580)
Dist Reservoirs & Standpipe	5	668,415	239,894	81,881	22,125	14,371	92,910	123,790	18,381	75,063
Elevated Tanks & Standpipes	5	169,786	60,936	20,799	5,620	3,650	23,600	31,444	4,669	19,067
Ground Level Facilities	5	866	311	106	29	19	120	160	24	97
TD Mains Not Classified by	6	32,078	13,546	4,687	1,325	824	959	3,570	1,408	5,758
TD Mains 4" & Less	4	1,688,190	735,882	253,397	70,229	44,568	0	147,885	85,760	350,468
TD Mains 6 to 8"	4	9,002,016	3,923,979	1,351,203	374,484	237,653	0	788,577	457,302	1,868,818
TD Mains 10 to 16"	3	10,995,859	4,000,294	1,419,565	440,934	249,606	1,727,450	2,334,421	162,739	660,851
TD Mains 18" & Grtr	3	3,498,063	1,272,595	451,600	140,272	79,406	549,546	742,639	51,771	210,234
Services	9	4,437,523	3,281,992	604,834	58,132	40,381	13,313	11,981	426,890	0
Meters Bronze Case	8	4,345,164	3,638,206	573,562	66,046	36,934	17,381	11,732	1,304	0
Meters Plastic Case	8	96,626	80,905	12,755	1,469	821	387	261	29	0
Meters Other	8	(314,623)	(263,434)	(41,530)	(4,782)	(2,674)	(1,258)	(849)	(94)	0
Meters Other-Rem Rdr Unts	8	52,448	43,915	6,923	797	446	210	142	16	0
Meter Installations	8	2,709,389	2,268,571	357,639	41,183	23,030	10,838	7,315	813	0
Meter Vaults	8	467,302	391,272	61,684	7,103	3,972	1,869	1,262	140	0
Hydrants	7	2,171,083	0	0	0	0	0	0	0	2,171,083
Other P/E WT Res Hand Equip	2	1,449,357	567,278	201,316	62,612	35,364	245,086	331,033	1,304	5,363
Other P/E CPS	14	296,911	141,745	36,847	10,392	5,463	32,185	49,673	3,504	17,102
Office Furniture & Equip	14	(254,664)	(121,576)	(31,604)	(8,913)	(4,686)	(27,606)	(42,605)	(3,005)	(14,669)

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Schedule C-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Rate A				Rate B	Rate J	Fire Protection	
			Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Large Users	Private	Public
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8)	(9)	(10)
Comp & Periph Equip	14	671,300	320,479	83,308	23,496	12,352	72,769	112,309	7,921	38,667
Computer Software	14	217,349	103,762	26,973	7,607	3,999	23,561	36,362	2,565	12,519
Comp Software Mainframe	14	1,614,959	770,982	200,416	56,524	29,715	175,062	270,183	19,057	93,022
Comp Software Mainframe - CIS	12	826,031	739,793	69,717	2,809	0	496	578	12,638	0
Comp Software Other	14	2,184	1,043	271	76	40	237	365	26	126
Data Handling Equipment	14	10,170	4,855	1,262	356	187	1,102	1,701	120	586
Other Office Equipment	14	45,792	21,861	5,683	1,603	843	4,964	7,661	540	2,638
Trans Equip Lt Duty Trks	14	620,736	296,340	77,033	21,726	11,422	67,288	103,849	7,325	35,754
Trans Equip Hvy Duty Trks	14	37,681	17,989	4,676	1,319	693	4,085	6,304	445	2,170
Trans Equip Autos	14	(35,356)	(16,879)	(4,388)	(1,237)	(651)	(3,833)	(5,915)	(417)	(2,036)
Trans Equip Other	14	(216,158)	(103,194)	(26,825)	(7,566)	(3,977)	(23,432)	(36,163)	(2,551)	(12,451)
Stores Equipment	14	91,060	43,472	11,301	3,187	1,676	9,871	15,234	1,075	5,245
Tools,Shop,Garage Equip	14	474,430	226,493	58,877	16,605	8,730	51,428	79,372	5,598	27,327
Laboratory Equipment	2	160,399	62,780	22,279	6,929	3,914	27,123	36,635	144	593
Laboratory Equip Other	2	8,693	3,402	1,207	376	212	1,470	1,985	8	32
Power Operated Equipment	14	5,684	2,713	705	199	105	616	951	67	327
Comm Equip Non-Telephone	14	91,639	43,749	11,372	3,207	1,686	9,934	15,331	1,081	5,278
Remote Control & Instr	14	101,314	48,367	12,573	3,546	1,864	10,982	16,950	1,196	5,836
Comm Equip Telephone	14	4,612	2,202	572	161	85	500	772	54	266
Misc Equipment	14	60,083	28,684	7,456	2,103	1,106	6,513	10,052	709	3,461
Other Tangible Property	17	0	0	0	0	0	0	0	0	0
Total Utility Plant in Service		98,600,696	43,430,004	13,046,122	3,629,573	2,080,664	11,570,316	16,728,114	1,511,275	6,604,628
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	14	259,300	123,790	32,179	9,076	4,771	28,108	43,381	3,060	14,936
Prepayments	14	135,537	64,705	16,820	4,744	2,494	14,692	22,675	1,599	7,807
Pension / OPEB Tracker	16	979,757	507,416	119,138	29,393	16,460	74,266	119,334	17,440	96,310
Tank Painting Tracker	5	99,300	35,639	12,164	3,287	2,135	13,803	18,390	2,731	11,151
Less:										
Accumulated Deferred ITC (3%)	17	(6,066)	(2,672)	(803)	(223)	(128)	(712)	(1,029)	(93)	(406)
Deferred Income Taxes	17	(21,349,737)	(9,404,559)	(2,824,570)	(785,670)	(450,479)	(2,504,324)	(3,623,050)	(326,651)	(1,430,432)
Pensions	16	(914,807)	(473,779)	(111,241)	(27,444)	(15,369)	(69,342)	(111,423)	(16,284)	(89,926)
Total Other Rate Base Elements		(20,796,716)	(9,149,460)	(2,756,311)	(766,839)	(440,116)	(2,443,509)	(3,531,722)	(318,198)	(1,390,560)
Total Original Cost Measure of Value		\$ 77,803,980	\$ 34,280,545	\$ 10,289,811	\$ 2,862,734	\$ 1,640,547	\$ 9,126,806	\$ 13,196,392	\$ 1,193,077	\$ 5,214,068

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Schedule C-SJO

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

Customer Classification <u> </u> (1)	5/8" Dollar Equivalents <u> </u> (2)	Allocation Factor <u> </u> (3)
Residential - Rate A	31,239	0.8409
Commercial - Rate A	4,926	0.1326
Industrial - Rate A	569	0.0153
Other Public Authority - Rate A	317	0.0085
Sales for Resale - Rate B	0	0.0000
Rate J - Large Users	100	0.0027
Private Fire	<u>0</u>	<u>0.0000</u>
 Total	 <u><u>37,151</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	16.540	22.556	1.36	9/30/1990
1991	16.389	24.628	1.50	7/20/1991
1992	15.936	21.983	1.38	6/30/1992
1993	15.958	21.619	1.35	6/15/1993
1994	14.665	22.291	1.52	8/25/1994
1995	14.525	22.125	1.52	7/12/1995
1996	15.116	19.378	1.28	7/18/1996
1997	15.018	20.865	1.39	7/16/1997
1998	15.018	20.912	1.39	8/24/1998
1999	16.047	21.888	1.36	7/30/1999
2000	15.185	21.096	1.39	8/16/2000
2001	14.232	19.574	1.38	8/6/2001
2002	15.117	22.027	1.46	7/31/2002
2003	14.994	22.510	1.50	8/8/2003
2004	14.889	19.653	1.32	7/27/2004
2005	15.003	21.333	1.42	7/21/2005
2006	16.891	23.463	1.39	5/25/2006
2007	18.057	23.952	1.33	7/17/2007
2008	17.892	22.588	1.26	8/19/2008
2009	17.594	22.572	1.28	8/17/2009
2010	17.522	22.344	1.28	8/13/2010
2011	17.370	23.563	1.36	7/22/2011
2012	18.001	24.431	1.36	6/30/2012
2013	17.852	25.557	1.43	7/19/2013
2014	16.878	21.408	1.27	7/25/2014

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	20	80	
3 -inch	9.00	1	9	
4 -inch	16.00	97	1,552	
6 -inch	36.00	177	6,372	
8 -inch	64.00	112	7,168	
10 -inch	100.00	19	1,900	
12 -inch	144.00	11	1,584	
Private Hydrants	20.25	55	1,114	
Total Private Fire Protection		492	19,779	0.1966
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
4 1/2" Valve	2- 2-1/2" & 1- 4 1/2"	20.25	22	446
5 1/4" Valve	2- 2-1/2" & 1- 4 1/2"	26.50	3,033	80,375
Total Public Fire Protection		3,055	80,821	0.8034
Total Fire Protection		3,547	100,600	1.0000

MISSOURI AMERICAN WATER
ST. JOSEPH DISTRICT
CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	\$ 1,599,668	37,312 5/8 Equivalents	\$ 3.57
Services	716,958	36,884 3/4 Equivalents	1.62
Billing/Collecting	<u>2,232,370</u>	380,196 Bills	<u>5.87</u>
Subtotal	4,548,995		11.06
Unrecovered Public Fire	<u>1,479,920</u>	37,312 5/8 Equivalents	3.31
Total	<u><u>\$ 6,028,916</u></u>		<u><u>\$ 14.37</u></u>

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Schedule F-SJO

ST. LOUIS METRO DISTRICT

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
	Rate A - Res/Com/Ind/OPA	\$ 209,097,492	94.2%	\$ 166,637,144	93.4%	\$ 210,254,974	93.6%	\$ 43,617,830
Rate B - Sales for Resale	2,703,797	1.2%	2,892,461	1.6%	3,420,355	1.5%	527,894	18.3%
Rate J - Manufacturing	7,000,296	3.2%	6,571,486	3.7%	8,419,384	3.7%	1,847,898	28.1%
Rate F - Private Fire	3,096,131	1.4%	2,312,409	1.3%	2,796,173	1.2%	483,764	20.9%
Rate E - Public Fire	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Sales	221,897,717	<u>100.0%</u>	178,413,499	<u>100.0%</u>	224,890,886	<u>100.0%</u>	46,477,387	26.1%
Other Revenues*	6,350,401		6,350,400		\$6,350,401		0.33	0.0%
Total	<u>\$ 228,248,118</u>		<u>\$ 184,763,899</u>		<u>\$ 231,241,287</u>		<u>\$ 46,477,388</u>	25.2%

* Includes Rate G and H Contract Sales.

** Includes revenue for Public Fire.

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Schedule A-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large Industrial Rate J (6)	Fire Protection	
						Rate F (7)	Rate E (8)
OPERATION AND MAINTENANCE EXPENSES							
SOURCE OF SUPPLY EXPENSES							
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	151,450	137,532	4,377	9,420	91	30
Purchased Water	1	390,672	338,361	14,377	37,231	508	195
TOTAL SS EXPENSE - OPERATION		542,122	475,893	18,754	46,651	599	226
Misc Exp Oper SS	2	0	0	0	0	0	0
Misc Exp Oper SS	2	448,332	407,130	12,957	27,886	269	90
Rents Oper SS	2	2,603	2,364	75	162	2	1
Lake, River & Oth Maint SS - Labor	2	18	16	1	1	0	0
Wells & Springs Maint SS - Labor	2	65	59	2	4	0	0
Infilt Gall & Tunnels Maint SS - Labor	2	414	376	12	26	0	0
Supply Mains Maint SS - Labor	2	104	94	3	6	0	0
Misc Plant Maint SS - Labor	2	252,865	229,627	7,308	15,728	152	51
Misc Plant Maint SS	2	6,956	6,316	201	433	4	1
TOTAL SS EXPENSE - MAINTENANCE		711,358	645,984	20,558	44,246	427	142
TOTAL SS EXPENSE		1,253,480	1,121,877	39,312	90,898	1,026	368
POWER AND PUMPING EXPENSES							
Super & Eng Oper P	3	0	0	0	0	0	0
Fuel for Power Prod	1	10,243	8,871	377	976	13	5
Labor & Exp Oper Pwr Prod - Labor	3	664	581	19	40	6	19
Purch Fuel/Power for Pump	1	8,468,645	7,334,693	311,646	807,062	11,009	4,234
Labor & Exp Oper Pump - Labor	3	1,745,507	1,527,318	48,700	104,556	15,186	49,747
Misc Exp Oper P	3	2,158	1,888	60	129	19	62
Rents Oper P	3	1,683	1,473	47	101	15	48
TOTAL PUMPING EXPENSE - OPERATION		10,228,899	8,874,825	360,848	912,864	26,248	54,115

SLM-2

Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large Industrial Rate J (6)	Fire Protection	
						Rate F (7)	Rate E (8)
Super & Eng Maint P	3	29,506	25,818	823	1,767	257	841
Struct & Improve Maint P - Labor	3	694,311	607,522	19,371	41,589	6,041	19,788
Struct & Improve Maint P	3	71,690	62,729	2,000	4,294	624	2,043
Pump Equip Maint P - Labor	3	42,920	37,555	1,197	2,571	373	1,223
Pump Equip Maint P	3	11,857	10,375	331	710	103	338
TOTAL PUMPING EXPENSES - MAINTENANCE		850,284	743,998	23,723	50,932	7,397	24,233
TOTAL PUMPING EXPENSES		11,079,183	9,618,823	384,571	963,796	33,645	78,348
WATER TREATMENT							
Super & Eng Oper WT	2	69,401	63,023	2,006	4,317	42	14
Chemicals	1	7,419,482	6,426,013	273,037	707,077	9,645	3,710
Labor & Exp Oper WT - Labor	2	1,286,730	1,168,479	37,186	80,035	772	257
Labor & Exp Oper WT	2	199,129	180,829	5,755	12,386	119	40
Misc Exp Oper WT	1	102,227	88,539	3,762	9,742	133	51
Misc Exp Oper WT	2	29,508	26,796	853	1,835	18	6
Rents Oper WT	2	10,157	9,224	294	632	6	2
TOTAL WT EXPENSE - OPERATION		9,116,634	7,962,903	322,892	816,023	10,735	4,080
Super & Eng Maint WT	2	1,613,443	1,465,167	46,628	100,356	968	323
WT Equip Maint WT - Labor	2	2,987	2,713	86	186	2	1
WT Equip Maint WT	2	542,382	492,537	15,675	33,736	325	108
TOTAL WT EXPENSE - MAINTENANCE		2,158,812	1,960,417	62,390	134,278	1,295	432
TOTAL WT EXPENSE		11,275,446	9,923,320	385,282	950,301	12,030	4,512
TRANSMISSION AND DISTRIBUTION EXPENSES							
Super & Eng Oper TD	10	532,432	491,488	2,023	7,561	17,091	14,269
Storage Facility Exp - Labor	5	48,575	39,302	1,380	2,798	1,151	3,944
TD Lines Exp - Labor	6	1,448,255	1,319,360	9,269	27,517	21,000	71,109
TD Lines Exp	6	43,719	39,828	280	831	634	2,147
Meter Expense - Labor	8	665,032	648,340	0	7,914	8,778	0

SLM-3

Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	Rate F	Rate E
						(7)	(8)
Meter Expense	8	4,556	4,442	0	54	60	0
Customer Install Exp - Labor	9	674,665	611,786	0	1,822	61,057	0
Misc Exp Oper TD - Labor	10	2,131,681	1,967,755	8,100	30,270	68,427	57,129
Misc Exp Oper TD	10	781,087	721,022	2,968	11,091	25,073	20,933
Rents Oper TD	10	53,538	49,421	203	760	1,719	1,435
TOTAL T & D EXPENSE OPERATION		6,383,540	5,892,743	24,223	90,617	204,990	170,966
Super & Eng Maint TD	11	47,109	40,867	264	810	787	4,381
Contract Svc-Eng Maint	11	458	397	3	8	8	43
Struct & Improve Maint TD - Labor	11	26,630	23,102	149	458	445	2,477
Dist Res Stand Maint TD - Labor	5	1,406	1,137	40	81	33	114
TD Main Maint TD - Labor	6	214,728	195,617	1,374	4,080	3,114	10,543
TD Main Maint TD	6	4,911,363	4,474,251	31,433	93,316	71,215	241,148
Services Maint TD - Labor	9	229,646	208,243	0	620	20,783	0
Services Maint TD	9	448	406	0	1	41	0
Meters Maint TD - Labor	8	209,156	203,907	0	2,489	2,761	0
Hydrants Maint TD - Labor	7	293,107	0	0	0	0	293,107
Misc Plant Maint TD - Labor	11	1,475,326	1,279,845	8,262	25,376	24,638	137,205
Mat and Sup Maint TD	11	2,295,991	1,991,772	12,858	39,491	38,343	213,527
TOTAL T & D EXPENSE - MAINTENANCE		9,705,368	8,419,545	54,382	166,730	162,166	902,545
TOTAL T & D EXPENSE		16,088,907	14,312,288	78,605	257,347	367,156	1,073,511
CUSTOMER ACCOUNTS							
Supervision CA	12	27,081	26,252	0	24	804	0
Meter Reading Exp CA - Labor	13	1,220,279	1,219,791	0	488	0	0
Meter Reading Exp CA	13	2,682	2,681	0	1	0	0
Cust Rec & Collection CA - Labor	12	561,079	543,910	0	505	16,664	0
Cust Rec & Collection CA	12	1,873,076	1,815,760	0	1,686	55,630	0
Uncollectible Accts	12	2,526,935	2,449,611	0	2,274	75,050	0
Misc Cust Accts Exp CA - Labor	12	3,415	3,311	0	3	101	0
Misc Cust Accts Exp CA	12	10,725	10,396	0	10	319	0
Cust Serv & Info Exp CA	12	64	62	0	0	2	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		6,225,335	6,071,773	0	4,991	148,571	0

SLM-4

Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large Industrial Rate J (6)	Fire Protection	
						Rate F (7)	Rate E (8)
ADMINISTRATIVE AND GENERAL EXPENSES							
Salaries AG	14	6,143,844	5,586,597	58,981	146,838	112,432	238,996
Other Supplies & Exp AG	14	1,361,753	1,238,242	13,073	32,546	24,920	52,972
Mgmt Fees-Admin	14	18,109,147	16,466,647	173,848	432,809	331,397	704,446
Mgmt Fees-Customer Service	12	3,326,703	3,224,906	0	2,994	98,803	0
Mgmt Fees-Belleville Lab	2	104,435	94,838	3,018	6,496	63	21
Mgmt Fees- Employee	16	1,126,651	1,014,774	13,182	31,772	19,942	46,981
Outside Services AG	14	1,164,557	1,058,931	11,180	27,833	21,311	45,301
Outside Services AG	14	-	0	0	0	0	0
Ins Gen Liab Oper AG	14	2,576,615	2,342,916	24,736	61,581	47,152	100,230
Ins Work Comp AG	16	897,953	808,786	10,506	25,322	15,894	37,445
Ins Other Oper AG	14	223,460	203,192	2,145	5,341	4,089	8,693
Insurance Vehicle	14	110,270	100,269	1,059	2,635	2,018	4,290
Injuries & Damages	16	33,278	29,973	389	938	589	1,388
Employee Pension & Benefits	16	6,500,734	5,855,211	76,059	183,321	115,063	271,081
Reg Commision Exp	19	570,911	504,286	6,965	17,584	7,993	34,083
Rents AG	14	172,042	156,438	1,652	4,112	3,148	6,692
Goodwill Advertising Exp	14	13,919	12,657	134	333	255	541
Misc Exp AG	14	1,230,844	1,119,206	11,816	29,417	22,524	47,880
Research & Development	14	65,583	59,635	630	1,567	1,200	2,551
TOTAL A & G OPERATIONS		43,732,698	39,877,504	409,371	1,013,439	828,794	1,603,591
General Plant Maint AG - Labor	14	(657)	(597)	(6)	(16)	(12)	(26)
Maint Exp ARO/Net Neg Sal AG	14	0	0	0	0	0	0
General Plant Maint AG	14	536,551	487,886	5,151	12,824	9,819	20,872
TOTAL A & G EXPENSE - MAINTENANCE		535,894	487,289	5,145	12,808	9,807	20,846
TOTAL A & G EXPENSE		44,268,592	40,364,793	414,515	1,026,246	838,601	1,624,437
Total Operation & Maintenance Expenses		90,190,943	81,412,874	1,302,285	3,293,579	1,401,029	2,781,176

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Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DEPRECIATION EXPENSE							
Struct & Imp SS	2	137,846	125,178	3,984	8,574	83	28
Struct & Imp P	3	85,435	74,756	2,384	5,118	743	2,435
Struct & Imp Pumps (STL)	3	199,810	174,834	5,575	11,969	1,738	5,695
Struct & Imp Pump Boosters	3	150,950	132,081	4,212	9,042	1,313	4,302
Struct & Imp WT	2	193,065	175,322	5,580	12,009	116	39
Struct & Imp WT Nth Plt (ST	2	227,493	206,586	6,575	14,150	136	45
Struct & Imp WT Ctrl Plt 1	2	60,458	54,902	1,747	3,760	36	12
Struct & Imp WT Ctrl Plt 3	2	536,321	487,033	15,500	33,359	322	107
Struct & Imp WT Sth Plt (ST	2	190,036	172,572	5,492	11,820	114	38
Struct & Imp WT Meramec (ST	2	255,635	232,142	7,388	15,900	153	51
Struct & Imp TD	6	87,407	79,628	559	1,661	1,267	4,292
Struct & Imp TD Spec Cross	6	3,984	3,629	25	76	58	196
Struct & Imp AG	14	135,075	122,824	1,297	3,228	2,472	5,254
Struct & Imp Offices	14	82,031	74,591	787	1,961	1,501	3,191
Gen Structures HVAC	14	28,841	26,225	277	689	528	1,122
Struct & Imp Leasehold	14	181	165	2	4	3	7
Struct & Imp Store,Shop,Gar	14	16,468	14,974	158	394	301	641
Struct & Imp Misc	14	35,981	32,718	345	860	658	1,400
Wells & Springs	2	834	757	24	52	1	0
Supply Mains	2	17	15	0	1	0	0
Supply Mains Nth Plt (STL)	2	4,021	3,651	116	250	2	1
Supply Mains Ctrl Plt (STL)	2	58,503	53,127	1,691	3,639	35	12
Supply Mains Sth Plt (STL)	2	6,604	5,997	191	411	4	1
Supply Mains Meramec Plt (S	2	18,965	17,222	548	1,180	11	4
Power Generation Equip	3	42,040	36,785	1,173	2,518	366	1,198
Pump Equip Electric	3	274,487	240,176	7,658	16,442	2,388	7,823
Pump Equip Elec Pre46 (STL)	3	16,609	14,533	463	995	144	473
Pump Equip Elec Post46 (STL)	3	519,473	454,539	14,493	31,116	4,519	14,805
Pump Equip Elec Boosters Po	3	26,707	23,369	745	1,600	232	761
Pump Equip Diesel Ctrl Plt	3	36,245	31,714	1,011	2,171	315	1,033
Pump Equip Hydraulic	3	4,901	4,288	137	294	43	140
Pump Equip Other	3	4,158	3,638	116	249	36	119
Pump Equip WT	3	11,979	10,482	334	718	104	341
Pump Equip TD	3	56	49	2	3	0	2
WT Equip Non-Media	2	474,986	431,335	13,727	29,544	285	95
WT Equip Non-Med North (STL)	2	193,239	175,480	5,585	12,019	116	39
WT Equip Non Media Ctrl 1 &	2	59,333	53,880	1,715	3,691	36	12
WT Equip Non Media Ctrl 3 (2	526,771	478,361	15,224	32,765	316	105

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Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
						Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WT Equip Non Media Sth (STL)	2	168,510	153,024	4,870	10,481	101	34
WT Equip Non Media Mer (STL)	2	286,838	260,478	8,290	17,841	172	57
WT Equip Filter Media	2	72,745	66,060	2,102	4,525	44	15
Dist Reservoirs & Standpipe	5	35,632	28,830	1,012	2,052	844	2,893
Elevated Tanks & Standpipes	5	69,686	56,383	1,979	4,014	1,652	5,659
Ground Level Facilities	5	168,177	136,072	4,776	9,687	3,986	13,656
Below Ground Facilities	5	271	219	8	16	6	22
TD Mains Not Classified by	6	1,029,339	937,728	6,588	19,557	14,925	50,541
TD Mains 4" & Less	4	16,770	15,459	0	112	273	926
TD Mains 6 to 8"	4	302,167	278,538	0	2,025	4,925	16,680
TD Mains 10 to 16"	3	350,153	306,384	9,769	20,974	3,046	9,979
TD Mains 18" & Grtr	3	250,473	219,164	6,988	15,003	2,179	7,138
TD Mains AC 4" (STL)	4	34,240	31,562	0	229	558	1,890
TD Mains CI <10" 1900-28	4	37,274	34,359	0	250	608	2,058
TD Mains CI <10" 1929-56	4	168,288	155,128	0	1,128	2,743	9,289
TD Mains CI <10" 1957-93	4	700,924	646,112	0	4,696	11,425	38,691
TD Mains CI 12" (STL)	3	188,178	164,656	5,250	11,272	1,637	5,363
TD Mains CI 16" (STL)	3	278,129	243,363	7,760	16,660	2,420	7,927
TD Mains DI 6-8" (STL)	4	2,916,823	2,688,727	0	19,543	47,544	161,009
TD Mains DI 12" (STL)	3	1,410,655	1,234,323	39,357	84,498	12,273	40,204
TD Mains DI 16" & >(STL)	3	2,075,553	1,816,109	57,908	124,326	18,057	59,153
TD Mains Galve 1" (STL)	4	13,598	12,535	0	91	222	751
TD Mains LJ 20" (STL)	3	63,990	55,991	1,785	3,833	557	1,824
TD Mains PL 6-8in (STL)	4	2,686,063	2,476,013	0	17,997	43,783	148,271
TD Mains PL 12in (STL)	3	154,191	134,917	4,302	9,236	1,341	4,394
TD Mains DI 4in (STL) "	4	46,018	42,419	0	308	750	2,540
TD Mains DI 10in (STL) "	3	2,440	2,135	68	146	21	70
Fire Mains	7	5,265	0	0	0	0	5,265
Services	9	249,937	226,643	0	675	22,619	0
Meters Bronze Case	8	204,954	199,810	0	2,439	2,705	0

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Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
						Rate F	Rate E
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Meters Plastic Case	8	15,371	14,985	0	183	203	0
Meters Other	8	1,734,888	1,691,342	0	20,645	22,901	0
Meters Other-Rem Rdr Unts	8	104,788	102,158	0	1,247	1,383	0
Meter Installations	8	170,406	166,129	0	2,028	2,249	0
Meter Installation Other	8	273,879	267,005	0	3,259	3,615	0
Meter Vaults	8	1,876	1,829	0	22	25	0
Hydrants	7	1,199,982	0	0	0	0	1,199,982
Office Furniture & Equip	14	39,073	35,529	375	934	715	1,520
Comp & Periph Equip	14	1,647,952	1,498,482	15,820	39,386	30,158	64,105
Other P/E - CPS	14	36,464	33,157	350	871	667	1,418
Computer Software	14	591,227	537,603	5,676	14,130	10,819	22,999
Comp Software Mainframe	14	2,430,304.9	2,209,876	23,331	58,084	44,475	94,539
Comp Software Mainframe - CIS	12	1,243,070	1,205,032	0	1,119	36,919	0
Comp Software Other	14	3,287	2,989	32	79	60	128
Data Handling Equipment	14	974	886	9	23	18	38
Other Office Equipment	14	5,096	4,634	49	122	93	198
Trans Equip Lt Duty Trks	14	252,008	229,151	2,419	6,023	4,612	9,803
Trans Equip Other	14	206,990	188,216	1,987	4,947	3,788	8,052
Stores Equipment	14	51,175	46,534	491	1,223	937	1,991
Tools,Shop,Garage Equip	14	208,000	189,134	1,997	4,971	3,806	8,091
Tools,Shop,Garage Equip Oth	14	94,576	85,998	908	2,260	1,731	3,679
Laboratory Equipment	2	62,387	56,654	1,803	3,880	37	12
Laboratory Equip Other	2	4,497	4,084	130	280	3	1
Power Operated Equipment	14	32,243	29,319	310	771	590	1,254
Comm Equip Non-Telephone	14	143,754	130,715	1,380	3,436	2,631	5,592
Remote Control & Instr	14	101,977	92,728	979	2,437	1,866	3,967
Comm Equip Telephone	14	1,992	1,811	19	48	36	77
Misc Equipment	14	166,035	150,976	1,594	3,968	3,038	6,459
Other Tangible Property	17	3,101	2,692	32	81	39	256
Total Depreciation Expense		29,521,599	25,832,345	349,343	854,304	399,332	2,086,276

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Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large Industrial Rate J (6)	Fire Protection	
						Rate F (7)	Rate E (8)
Amort-Other UP	18	121,654	105,693	1,253	3,212	1,545	9,951
Amort-UPAA	2	204,612	185,808	5,913	12,727	123	41
Amort-Property Losses	2	121,130	109,998	3,501	7,534	73	24
Taxes Other Than Income							
Utility Reg Assessment Fee	19	1,792,650	1,583,448	21,870	55,214	25,097	107,021
Property Taxes	18	9,187,232	7,981,867	94,628	242,543	116,678	751,516
Payroll Taxes	16	1,604,292	1,444,986	18,770	45,241	28,396	66,899
Other Taxes & Licenses	14	(24,339)	(22,131)	(234)	(582)	(445)	(947)
Gross Receipts Tax	19	0	0	0	0	0	0
Total Taxes, Other Than Income		<u>12,559,835</u>	<u>10,988,169</u>	<u>135,035</u>	<u>342,416</u>	<u>169,726</u>	<u>924,489</u>
Income Taxes	18	28,928,453	25,133,040	297,963	763,711	367,391	2,366,347
Utility Income Available for Return	18	<u>66,599,892</u>	<u>57,861,986</u>	<u>685,979</u>	<u>1,758,237</u>	<u>845,819</u>	<u>5,447,871</u>
Total Cost of Service		228,248,118	201,629,913	2,781,272	7,035,720	3,185,037	13,616,176
Less: Other Water Revenues	19	2,792,893	2,466,962	34,073	86,021	39,101	166,736
Contract Sales	19	3,557,508	3,142,347	43,402	109,571	49,805	212,383
Total Other Water Revenues		<u>6,350,401</u>	<u>5,609,309</u>	<u>77,475</u>	<u>195,592</u>	<u>88,906</u>	<u>379,119</u>
Total Cost of Service Related to Sales of Water		<u>\$ 221,897,717</u>	<u>\$ 196,020,604</u>	<u>\$ 2,703,797</u>	<u>\$ 6,840,128</u>	<u>\$ 3,096,131</u>	<u>\$ 13,237,057</u>
Reallocation of Public Fire	20	0	13,076,888	0	160,168	0	(13,237,057)
Total		<u>\$ 221,897,717</u>	<u>\$ 209,097,492</u>	<u>\$ 2,703,797</u>	<u>\$ 7,000,296</u>	<u>\$ 3,096,131</u>	<u>\$ -</u>

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Schedule B-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

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

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

Customer Classification (1)	Average Daily Consumption, 100 Gallons (2)	Allocation Factor (3)
Rate A - Res/Com/Ind/OPA	1,022,086	0.8661
Rate B - Sales for Resale	43,484	0.0368
Rate J - Manufacturing	112,429	0.0953
Rate F - Private Fire	1,537	0.0013
Rate E - Public Fire	597	0.0005
Total	1,180,133	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 (1)	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor (6)=(3)+(5)
	Allocation Factor 1 (2)	Weighted Factor (3)=(2)x 0.4762	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.5238	
Rate A - Res/Com/Ind/OPA	0.8661	0.4125	0.9463	0.4956	0.9081
Rate B - Sales for Resale	0.0368	0.0175	0.0217	0.0114	0.0289
Rate J - Manufacturing	0.0953	0.0454	0.0320	0.0168	0.0622
Rate F - Private Fire	0.0013	0.0006			0.0006
Rate E - Public Fire	0.0005	0.0002			0.0002
Total	1.0000	0.4762	1.0000	0.5238	1.0000

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO 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)
Rate A - Res/Com/Ind/OPA	1,022,086	1.3	1,328,712	0.9463
Rate B - Sales for Resale	43,484	0.7	30,439	0.0217
Rate J - Manufacturing	112,429	0.4	44,972	0.0320
	<u>1,177,999</u>		<u>1,404,123</u>	<u>1.0000</u>

The weighting of the factors is based on the maximum day ratio of 1.90, based on a review of maximum day ratios experienced during the period 1999 through 2014 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4762
Maximum Day Extra Capacity	<u>1.10</u>	<u>0.5238</u>
Total	<u>2.10</u>	<u>1.0000</u>

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.4589	(4)	(5)=(4) X 0.5047	(6)	(7)=(6) X 0.0364	(8)=(3)+(5)+(7)
Rate A - Res/Com/Ind/OP/	0.8661	0.3975	0.9463	0.4775			0.8750
Rate B - Sales for Resale	0.0368	0.0169	0.0217	0.0110			0.0279
Rate J - Manufacturing	0.0953	0.0437	0.0320	0.0162			0.0599
Rate F - Private Fire	0.0013	0.0006			0.2224	0.0081	0.0087
Rate E - Public Fire	0.0005	0.0002			0.7776	0.0283	0.0285
Total	<u>1.0000</u>	<u>0.4589</u>	<u>1.0000</u>	<u>0.5047</u>	<u>1.0000</u>	<u>0.0364</u>	<u>1.0000</u>

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Schedule C-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.90 and the average daily system sendout for 2014 of 151.326 MGD. The system demand for fire protection is 20,000 Gallons per minute for 10 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	151,326,332	0.4589
Maximum Day Extra Capacity	<u>1.10</u>	<u>166,458,965</u>	<u>0.5047</u>
Subtotal	<u><u>2.10</u></u>	317,785,297	0.9636
Fire Protection		<u>12,000,000</u>	<u>0.0364</u>
Total		<u><u>329,785,297</u></u>	<u><u>1.0000</u></u>

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3717	(5)	(6)=(5) X 0.5576	(7)	(8)=(7) X 0.0707	(9)=(4)+(6)+(8)
Rate A - Res/Com/Ind/OP/	42,586.9	0.9870	0.3668	0.9953	0.5550			0.9218
Rate B - Sales for Resale	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate J - Manufacturing	468.5	0.0109	0.0041	0.0047	0.0026			0.0067
Rate F - Private Fire	64.0	0.0015	0.0006			0.2224	0.0157	0.0163
Rate E - Public Fire	24.9	0.0006	0.0002			0.7776	0.0550	0.0552
Total	43,144.3	1.0000	0.3717	1.0000	0.5576	1.0000	0.0707	1.0000

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

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Schedule C-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO 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 2014 of 151.326 MGD. The system demand for fire protection is 20,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	105,088	0.3717
Maximum Hour Extra Capacity	<u>1.50</u>	<u>157,632</u>	<u>0.5576</u>
Subtotal	<u><u>2.50</u></u>	262,720	0.9293
Fire Protection		<u>20,000</u>	<u>0.0707</u>
Total		<u><u>282,720</u></u>	<u><u>1.0000</u></u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Rate A	42,586.9	3.5	149,054.2	0.9953
Rate B	0.0	2.5	0.0	0.0000
Rate J	<u>468.5</u>	1.5	<u>702.7</u>	<u>0.0047</u>
Total	<u><u>43,055.4</u></u>		<u><u>149,756.9</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3583	(5)	(6)=(5) X 0.5375	(7)	(8)=(7) X 0.1042	(9)=(4)+(6)+(8)
Rate A - Res/Com/Ind/OPA	42,586.9	0.8661	0.3103	0.9280	0.4988			0.8091
Rate B - Sales for Resale	1,811.8	0.0368	0.0132	0.0282	0.0152			0.0284
Rate J - Manufacturing	4,684.5	0.0953	0.0341	0.0438	0.0235			0.0576
Rate F - Private Fire	64.0	0.0013	0.0005			0.2224	0.0232	0.0237
Rate E - Public Fire	24.9	0.0005	0.0002			0.7776	0.0810	0.0812
Total	49,172.1	1.0000	0.3583	1.0000	0.5375	1.0000	0.1042	1.0000

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

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

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

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

$$\begin{aligned} \text{Fire Protection Weight} &= \frac{20,000 \text{ GPM} \times 60 \text{ Min.} \times 10 \text{ Hrs.}}{115,172,000 \text{ Gallons}} = 0.1042 \\ \text{General Service Weight} &= 1.0000 - 0.1042 = 0.8958 \end{aligned}$$

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	0.3583
Extra Capacity Maximum Hour	1.50	60.00	0.5375
Total	2.50	100.00	0.8958

Customer Classification (1)	Average Hourly Consumption Thousand Gal. (2)	Maximum Hour Extra Capacity		Allocation Factor (5)
		Factor* (3)	1,000 Gallons Per Hour (4)=(2)x(3)	
Rate A - Res/Com/Ind/OPA	42,586.9	3.5	149,054.2	0.9280
Rate B - Sales for Resale	1,811.8	2.5	4,529.5	0.0282
Rate J - Manufacturing	4,684.5	1.5	7,026.8	0.0438
	49,083.2		160,610.5	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor (3)=(2)X	Allocation Factor 4	Weighted Factor (5)=(4)X	
(1)	(2)		(4)	(5)	(6)=(3)+(5)
		0.2309		0.7691	
Rate A - Res/Com/Ind/OPA	0.8750	0.2021	0.9218	0.7089	0.9110
Rate B - Sales for Resale	0.0279	0.0064	0.0000	0.0000	0.0064
Rate J - Manufacturing	0.0599	0.0138	0.0067	0.0052	0.0190
Rate G	0.0000	0.0000	0.0000	0.0000	0.0000
Other	0.0000	0.0000	0.0000	0.0000	0.0000
Rate F - Private Fire	0.0087	0.0020	0.0163	0.0125	0.0145
Rate E - Public Fire	0.0285	0.0066	0.0552	0.0425	0.0491
Total	1.0000	0.2309	1.0000	0.7691	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	6,032,651	0.2309
Distribution Mains	<u>20,097,707</u>	<u>0.7691</u>
Total	<u>26,130,358</u>	1.0000

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Rate E.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalentents</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	452,992	0.9749
Rate B - Sales for Resale	0	0.0000
Rate J - Manufacturing	5,532	0.0119
Rate F - Private Fire	6,129	0.0132
Rate E - Public Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>464,653</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Rate A		Rate B		Rate J		Rate F		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Services	Weighting (14)=(2)X(11)	Number of Meters	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(13)	(14)=(2)X(11)	(15)	(16)
5/8	1.0	331,926	331,926	0	0	0	0	47	47	331,973	331,973
3/4	2.1	25,082	52,672	0	0	0	0	2,844	5,972	27,926	58,644
1	2.0	9,557	19,114	0	0	0	0	27	54	9,584	19,168
1-1/2	3.5	1,554	5,439	0	0	0	0		0	1,554	5,439
2	4.3	4,055	17,437	0	0	2	9	13	56	4,070	17,502
3	7.0	299	2,093	0	0	7	49		0	306	2,142
4	10.5	211	2,216	0	0	30	315		0	241	2,531
6	16.8	199	3,343	0	0	29	487		0	228	3,830
8	64.0	233	14,912	0	0	40	2,560		0	273	17,472
10	64.0	60	3,840	0	0	33	2,112		0	93	5,952
12	64.0	0	0	0	0	0	0		0	0	0
Total		<u>373,176</u>	<u>452,992</u>	<u>0</u>	<u>0</u>	<u>141</u>	<u>5,532</u>	<u>2,931</u>	<u>6,129</u>	<u>376,248</u>	<u>464,653</u>

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MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	421,741	0.9068
Rate B - Sales for Resale	0	0.0000
Rate J - Manufacturing	1,253	0.0027
Rate F - Private Fire	<u>42,095</u>	<u>0.0905</u>
Total	<u><u>465,089</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size	3/4" Dollar Equivalent	Rate A		Rate B		Rate J		Rate F		Total	
		Number of Services	Weighting (4)=(2)X(3)	Number of Services	Weighting (6)=(2)X(5)	Number of Services	Weighting (8)=(2)X(7)	Number of Services	Weighting (14)=(2)X(11)	Number of Services	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(13)	(14)=(2)X(11)	(15)	(16)
3/4	1.00	357,008	357,008	0	0	0	0	0	0	357,008	357,008
1	2.94	9,557	28,098	0	0	0	0	0	0	9,557	28,098
1-1/2	4.02	1,554	6,247	0	0	0	0	0	0	1,554	6,247
2	5.55	4,055	22,505	0	0	2	11	118	655	4,175	23,171
3	5.55	299	1,659	0	0	7	39	0	0	306	1,698
4	6.37	211	1,344	0	0	30	191	556	3,542	797	5,077
6	9.92	199	1,974	0	0	29	288	2,300	22,816	2,528	25,078
8	9.92	233	2,311	0	0	40	397	1,385	13,739	1,658	16,447
10	9.92	60	595	0	0	33	327	41	407	134	1,329
12 and above	12.16	0	0	0	0	0	0	77	936	77	936
Total		<u>373,176</u>	<u>421,741</u>	<u>0</u>	<u>0</u>	<u>141</u>	<u>1,253</u>	<u>4,477</u>	<u>42,095</u>	<u>377,794</u>	<u>465,089</u>

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MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 10. 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:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Operating Expenses</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	\$ 2,663,057	0.9231
Rate B - Sales for Resale	10,928	0.0038
Rate J - Manufacturing	40,935	0.0142
Rate F - Private Fire	92,681	0.0321
Rate E - Public Fire	<u>77,200</u>	<u>0.0268</u>
Total	<u>2,884,801</u>	<u>1.0000</u>

FACTOR 11. 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:

<u>Customer Classification</u> (1)	<u>Transmission & Distribution Maintenance Expenses</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	\$ 5,083,561	0.8675
Rate B - Sales for Resale	32,847	0.0056
Rate J - Manufacturing	100,587	0.0172
Rate F - Private Fire	97,946	0.0167
Rate E - Public Fire	<u>544,912</u>	<u>0.0930</u>
Total	<u>\$5,859,853</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 12. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of bills.

Customer Classification	Total Bills	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	1,751,011	0.9694
Rate B - Sales for Resale	0	0.0000
Rate J - Manufacturing	1,692	0.0009
Rate F - Private Fire	53,724	0.0297
Rate E - Public Fire	0	0.0000
	<u>1,806,427</u>	<u>1.0000</u>
Total	<u>1,806,427</u>	<u>1.0000</u>

FACTOR 13. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	373,176	0.9996
Rate B - Sales for Resale	0	0.0000
Rate J - Manufacturing	155	0.0004
	<u>373,331</u>	<u>1.0000</u>
	<u>373,331</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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)
Rate A - Res/Com/Ind/OPA	\$26,851,603	0.9093
Rate B - Sales for Resale	284,572	0.0096
Rate J - Manufacturing	705,245	0.0239
Rate F - Private Fire	541,119	0.0183
Rate E - Public Fire	<u>1,148,543</u>	<u>0.0389</u>
Total	<u><u>\$29,531,082</u></u>	<u><u>1.0000</u></u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

Factors are based on the allocation operation and maintenance expenses including purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$80,908,588	0.9027
Rate B - Sales for Resale	1,295,320	0.0145
Rate J - Manufacturing	3,275,995	0.0366
Rate F - Private Fire	1,393,036	0.0155
Rate E - Public Fire	<u>2,747,092</u>	<u>0.0307</u>
Total	<u><u>\$89,620,032</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$19,538,360	0.9007
Rate B - Sales for Resale	253,178	0.0117
Rate J - Manufacturing	610,819	0.0282
Rate F - Private Fire	383,853	0.0177
Rate E - Public Fire	905,512	0.0417
Total	<u>\$21,691,722</u>	<u>1.0000</u>

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER Rate Base ELEMENTS.

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

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$868,574,960	0.8682
Rate B - Sales for Resale	10,258,953	0.0103
Rate J - Manufacturing	26,228,326	0.0262
Rate F - Private Fire	12,593,622	0.0126
Rate E - Public Fire	82,778,302	0.0827
Total	<u>\$1,000,434,162</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

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

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

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$704,806,807	0.8688
Rate B - Sales for Resale	8,368,132	0.0103
Rate J - Manufacturing	21,395,223	0.0264
Rate F - Private Fire	10,285,734	0.0127
Rate E - Public Fire	<u>66,348,638</u>	<u>0.0818</u>
Total	<u><u>\$811,204,534</u></u>	<u><u>1.0000</u></u>

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

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

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Rate A - Res/Com/Ind/OPA	\$199,542,180	0.8833
Rate B - Sales for Resale	2,752,437	0.0122
Rate J - Manufacturing	6,962,922	0.0308
Rate F - Private Fire	3,151,947	0.0140
Rate E - Public Fire	<u>13,475,071</u>	<u>0.0597</u>
Total	<u><u>\$225,884,557</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	Rate F	Rate E
						(7)	(8)
Rate Base							
Organization	17	\$ 197,742	\$ 171,680	\$ 2,037	\$ 5,181	\$ 2,492	\$ 16,353
Franchises	17	12,572	10,915	129	329	158	1,040
Land & Ld Rights SS	2	82,872	75,256	2,395	5,155	50	17
Land & Ld Rights P	3	285,553	249,859	7,967	17,105	2,484	8,138
Land & Ld Rights WT	2	1,872,125	1,700,077	54,104	116,446	1,123	374
Land & Ld Rights TD	7	4,355,135	0	0	0	0	4,355,135
Land & Land Rights AG	14	116	105	1	3	2	5
Struct & Imp SS	2	3,012,376	2,735,538	87,058	187,370	1,807	602
Struct & Imp P	3	1,224,756	1,071,662	34,171	73,363	10,655	34,906
Struct & Imp Pumps (STL)	3	2,864,377	2,506,330	79,916	171,576	24,920	81,635
Struct & Imp Pump Boosters	3	2,163,933	1,893,442	60,374	129,620	18,826	61,672
Struct & Imp WT	2	4,984,661	4,526,570	144,057	310,046	2,991	997
Struct & Imp WT Nth Plt (ST)	2	5,873,542	5,333,764	169,745	365,334	3,524	1,175
Struct & Imp WT Ctrl Plt 1	2	1,560,931	1,417,481	45,111	97,090	937	312
Struct & Imp WT Ctrl Plt 3	2	13,847,051	12,574,507	400,180	861,287	8,308	2,769
Struct & Imp WT Sth Plt (ST)	2	4,906,456	4,455,553	141,797	305,182	2,944	981
Struct & Imp WT Meramec (ST)	2	6,600,120	5,993,569	190,743	410,527	3,960	1,320
Struct & Imp TD	6	1,789,886	1,630,586	11,455	34,008	25,953	87,883
Struct & Imp TD Spec Cross	6	81,575	74,315	522	1,550	1,183	4,005
Struct & Imp AG	6	5,941,519	5,412,724	38,026	112,889	86,152	291,729
Struct & Imp Offices	14	3,190,629	2,901,239	30,630	76,256	58,389	124,115
Gen Structures HVAC	14	1,382,053	1,256,701	13,268	33,031	25,292	53,762
Struct & Imp Leasehold	14	4,520	4,110	43	108	83	176
Struct & Imp Store,Shop,Gar	14	376,788	342,613	3,617	9,005	6,895	14,657
Struct & Imp Misc	14	924,570	840,711	8,876	22,097	16,920	35,966
Wells & Springs	2	22,268	20,222	644	1,385	13	4
Supply Mains	2	423	384	12	26	0	0
Supply Mains Nth Plt (STL)	2	97,176	88,245	2,808	6,044	58	19
Supply Mains Ctrl Plt (STL)	2	1,413,820	1,283,890	40,859	87,940	848	283
Supply Mains Sth Plt (STL)	2	159,604	144,936	4,613	9,927	96	32
Supply Mains Meramec Plt (S)	2	458,314	416,195	13,245	28,507	275	92
Power Generation Equip	2	1,138,717	1,034,069	32,909	70,828	683	228
Pump Equip Electric	3	7,581,263	6,633,605	211,517	454,118	65,957	216,066
Pump Equip Elec Pre46 (STL)	3	458,737	401,395	12,799	27,478	3,991	13,074
Pump Equip Elec Post46 (STL)	3	14,347,720	12,554,255	400,301	859,428	124,825	408,910
Pump Equip Elec Boosters Po	3	737,653	645,446	20,581	44,185	6,418	21,023
Pump Equip Diesel Ctrl Plt	3	237,558	207,863	6,628	14,230	2,067	6,770
Pump Equip Hydraulic	3	223,836	195,857	6,245	13,408	1,947	6,379

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MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	Rate F	Rate E
						(7)	(8)
Pump Equip Other	3	51,969	45,473	1,450	3,113	452	1,481
Pump Equip WT	3	630,484	551,674	17,591	37,766	5,485	17,969
Pump Equip TD	3	2,964	2,594	83	178	26	84
WT Equip Non-Media	2	12,575,736	11,420,026	363,439	782,211	7,545	2,515
WT Equip Non-Med North (STL	2	5,116,204	4,646,025	147,858	318,228	3,070	1,023
WT Equip Non Media Ctrl 1 &	2	1,570,893	1,426,528	45,399	97,710	943	314
WT Equip Non Media Ctrl 3 (2	13,946,794	12,665,084	403,062	867,491	8,368	2,789
WT Equip Non Media Sth (STL	2	4,461,470	4,051,461	128,936	277,503	2,677	892
WT Equip Non Media Mer (STL	2	7,594,328	6,896,409	219,476	472,367	4,557	1,519
WT Equip Filter Media	2	1,925,987	1,748,989	55,661	119,796	1,156	385
Dist Reservoirs & Standpipe	5	859,582	695,487	24,412	49,512	20,372	69,798
Elevated Tanks & Standpipes	5	1,681,094	1,360,173	47,743	96,831	39,842	136,505
Ground Level Facilities	5	4,057,052	3,282,561	115,220	233,686	96,152	329,433
Below Ground Facilities	5	6,535	5,288	186	376	155	531
TD Mains Not Classified by	6	56,239,939	51,234,584	359,936	1,068,559	815,479	2,761,381
TD Mains 4" & Less	4	783,285	722,032	0	5,248	12,768	43,237
TD Mains 6 to 8"	4	13,402,199	12,354,147	0	89,795	218,456	739,801
TD Mains 10 to 16"	3	14,822,267	12,969,484	413,541	887,854	128,954	422,435
TD Mains 18" & Grtr	3	10,602,742	9,277,399	295,817	635,104	92,244	302,178
TD Mains AC 4" (STL)	4	1,599,285	1,474,221	0	10,715	26,068	88,281
TD Mains CI <10" 1900-28	4	1,653,244	1,523,960	0	11,077	26,948	91,259
TD Mains CI <10" 1929-56	4	7,464,159	6,880,462	0	50,010	121,666	412,022
TD Mains CI <10" 1957-93	4	31,088,480	28,657,361	0	208,293	506,742	1,716,084
TD Mains CI 12" (STL)	3	7,965,750	6,970,031	222,244	477,148	69,302	227,024
TD Mains CI 16" (STL)	3	11,773,451	10,301,770	328,479	705,230	102,429	335,543
TD Mains DI 6-8" (STL)	4	241,075,432	222,223,333	0	1,615,205	3,929,530	13,307,364
TD Mains DI 12" (STL)	3	59,714,248	52,249,967	1,666,028	3,576,883	519,514	1,701,856
TD Mains DI 16" & >(STL)	3	87,859,927	76,877,436	2,451,292	5,262,810	764,381	2,504,008
TD Mains Galve 1" (STL)	4	635,134	585,467	0	4,255	10,353	35,059
TD Mains LJ 20" (STL)	3	2,708,744	2,370,151	75,574	162,254	23,566	77,199
TD Mains PL 6-8in (STL)	4	119,136,522	109,820,046	0	798,215	1,941,925	6,576,336
TD Mains PL 12in (STL)	3	6,527,046	5,711,165	182,105	390,970	56,785	186,021
TD Mains DI 4in (STL)	4	2,149,401	1,981,317	0	14,401	35,035	118,647
TD Mains DI 10in (STL) "	3	103,286	90,375	2,882	6,187	899	2,944
Fire Mains	7	265,873	0	0	0	0	265,873
Services	9	5,026,533	4,558,060	0	13,572	454,901	0
Meters Bronze Case	8	6,394,260	6,233,765	0	76,092	84,404	0
Meters Plastic Case	8	556,158	542,199	0	6,618	7,341	0
Meters Other	8	56,548,008	55,128,653	0	672,921	746,434	0

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Schedule C-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Res/Com/Ind/OPA Rate A	Sales for Resale Rate B	Large Industrial Rate J	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	Rate F	Rate E
						(7)	(8)
Meters Other-Rem Rdr Unts	8	3,411,143	3,325,523	0	40,593	45,027	0
Meter Installations	8	2,860,291	2,788,498	0	34,037	37,756	0
Meter Installation Other	8	4,597,093	4,481,706	0	54,705	60,682	0
Meter Vaults	8	73,484	71,639	0	874	970	0
Hydrants	7	42,811,802	0	0	0	0	42,811,802
Other P/E CPS	14	626,409	569,594	6,014	14,971	11,463	24,367
Office Furniture & Equip	14	432,417	393,197	4,151	10,335	7,913	16,821
Comp & Periph Equip	14	6,346,325	5,770,714	60,925	151,677	116,138	246,872
Computer Software	14	3,414,038	3,104,385	32,775	81,596	62,477	132,806
Comp Software Mainframe	14	18,080,316	16,440,431	173,571	432,120	330,870	703,324
Comp Software Mainframe - CIS	12	9,247,852	8,964,868	0	8,323	274,661	0
Comp Software Personal	14	24,451	22,234	235	584	447	951
Data Handling Equipment	14	14,606	13,282	140	349	267	568
Other Office Equipment	14	13,452	12,232	129	321	246	523
Trans Equip Lt Duty Trks	14	4,037,252	3,671,073	38,758	96,490	73,882	157,049
Trans Equip Hvy Duty Trks	14	(17,223)	(15,661)	(165)	(412)	(315)	(670)
Trans Equip Autos	14	(692,803)	(629,966)	(6,651)	(16,558)	(12,678)	(26,950)
Trans Equip Other	14	2,927,594	2,662,061	28,105	69,969	53,575	113,883
Stores Equipment	14	746,882	679,139	7,170	17,850	13,668	29,054
Tools,Shop,Garage Equip	14	1,735,642	1,578,219	16,662	41,482	31,762	67,516
Tools,Shop,Garage Equip Oth	14	901,308	819,559	8,653	21,541	16,494	35,061
Laboratory Equipment	2	174,988	158,907	5,057	10,884	105	35
Laboratory Equip Other	2	24,521	22,267	709	1,525	15	5
Power Operated Equipment	14	(7,272)	(6,613)	(70)	(174)	(133)	(283)
Comm Equip Non-Telephone	14	631,380	574,114	6,061	15,090	11,554	24,561
Remote Control & Instr	14	1,528,886	1,390,216	14,677	36,540	27,979	59,474
Comm Equip Telephone	14	6,129	5,573	59	146	112	238
Misc Equipment	14	1,704,098	1,549,536	16,359	40,728	31,185	66,289
Other Tangible Property	17	318,223	276,281	3,278	8,337	4,010	26,317
Total Utility Plant in Service		1,000,962,699	869,033,836	10,264,397	26,242,173	12,600,281	82,822,012

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Schedule C-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Res/Com/Ind/OPA Rate A (4)	Sales for Resale Rate B (5)	Large Industrial Rate J (6)	Fire Protection	
						Rate F (7)	Rate E (8)
Other Rate Base Items							
Add:							
Other Utility Plant Adjustments	17		0	0	0	0	0
Cash Working Capital	15	9,661,000	8,720,985	140,085	353,593	149,746	296,593
Materials and Supplies	14	4,063,350	3,694,804	39,008	97,114	74,359	158,064
Prepayments	14	1,549,642	1,409,089	14,877	37,036	28,358	60,281
OPEB's Contributed to External Fund	16		0	0	0	0	0
Pension / OPEB Tracker	16	11,202,607	10,090,188	131,071	315,914	198,286	467,149
Regulatory Deferrals	17		0	0	0	0	0
Tank Painting Tracker	5	1,135,785	918,964	32,256	65,421	26,918	92,226
Less: Accumulated Amortization	17		0	0	0	0	0
Accumulated Deferred ITC (3%)	17		0	0	0	0	0
Deferred Income Taxes	17	(206,910,588)	(179,639,773)	(2,131,179)	(5,421,057)	(2,607,073)	(17,111,506)
Pensions	16	(10,459,961)	(9,421,287)	(122,382)	(294,971)	(185,141)	(436,180)
		<u>(189,758,165)</u>	<u>(164,227,029)</u>	<u>(1,896,265)</u>	<u>(4,846,950)</u>	<u>(2,314,547)</u>	<u>(16,473,373)</u>
Total Other Rate Base Elements		<u>(189,758,165)</u>	<u>(164,227,029)</u>	<u>(1,896,265)</u>	<u>(4,846,950)</u>	<u>(2,314,547)</u>	<u>(16,473,373)</u>
Total Original Cost Measure of Value		<u>\$ 811,204,534</u>	<u>\$ 704,806,807</u>	<u>\$ 8,368,132</u>	<u>\$ 21,395,223</u>	<u>\$10,285,734</u>	<u>\$ 66,348,638</u>

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Schedule C-SLM

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Rate A - Res/Com/Ind/OPA	452,992	0.9879
Rate B - Sales for Resale	0	0.0000
Rate J - Manufacturing	5,532	0.0121
Rate F - Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>458,524</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

FOR THE YEARS 1999-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1999	176.034	337.657	1.92	NA
2000	167.103	276.090	1.65	NA
2001	173.067	294.010	1.70	NA
2002	175.226	330.780	1.89	NA
2003	167.899	322.790	1.92	8/23/2003
2004	171.808	268.970	1.57	7/22/2004
2005	185.871	333.620	1.79	6/25/2005
2006	181.038	319.290	1.76	8/5/2006
2007	188.414	352.250	1.87	8/12/2007
2008	155.868	273.580	1.76	7/21/2008
2009	148.640	269.630	1.81	8/15/09
2010	153.987	261.860	1.70	7/17/10
2011	163.128	294.272	1.80	7/23/11
2012	174.674	368.223	2.11	6/29/12
2013	157.903	279.019	1.77	9/7/13
2014	153.584	255.312	1.66	8/4/14

MISSOURI-AMERICAN WATER COMPANY
ST. LOUIS METRO DISTRICT

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	118	472	
3 -inch	9.00	-	0	
4 -inch	16.00	556	8,896	
6 -inch	36.00	2,300	82,800	
8 -inch	64.00	1,385	88,640	
10 -inch	100.00	41	4,100	
12 -inch	144.00	77	11,088	
Private Hydrants	18.06	49	885	
Total Rate F		4,526	196,881	0.2224
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
4 1/4" Valve	2- 2-1/2" & 1- 4.5"	18.06	1,101	19,887
4 1/2" Valve	2- 2-1/2" & 1- 4.5"	20.25	30,803	623,761
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	258	8,450
6" Valve	2- 2-1/2"	12.50	2,789	34,863
4 1/2" Valves	1- 2-1/2" & 1- 4 1/2"	20.25	52	1,053
5 1/4 Valves	1- 2-1/2" & 1- 4 1/2"	26.50	14	371
Total Rate E		35,017	688,385	0.7776
Total Fire Protection		39,543	885,266	1.0000

MISSOURI AMERICAN WATER
ST. LOUIS METRO
CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month	Unit Cost Per Quarter
Meters	\$ 15,174,281	464,653 5/8 Equivalents	\$ 2.72	\$ 8.16
Services	5,723,323	422,994 3/4 Equivalents	1.13	3.39
Billing/Collecting	<u>21,711,232</u>	1,712,753 Bills	<u>12.68</u>	<u>12.68</u>
Subtotal	42,608,836		16.53	24.23
Unrecovered Public Fire	<u>13,237,057</u>	464,653 5/8 Equivalents	2.37	7.11
Total	<u><u>\$ 55,845,893</u></u>		<u><u>\$ 18.90</u></u>	<u><u>\$ 31.34</u></u>

SLM-35

Schedule F-SLM

WARRENSBURG DISTRICT

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates Consolidated Pricing		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 2,709,324	63.3%	\$ 2,185,801	56.2%	\$ 2,830,487	61.5%	\$ 644,686	29.5%
Commercial	656,945	15.3%	687,595	17.7%	797,009	17.3%	109,414	15.9%
Industrial	44,527	1.0%	49,045	1.3%	67,270	1.5%	18,225	37.2%
Public Authority	346,912	8.1%	358,281	9.2%	443,637	9.6%	85,356	23.8%
Total - Rate A	3,757,707	87.7%	3,280,722	84.4%	4,138,403	89.9%	857,681	26.1%
Sales for Resale	189,325	4.4%	273,463	7.0%	203,662	4.4%	(69,801)	-25.5%
Rate J - Large Users	202,637	4.7%	204,977	5.3%	153,479	3.3%	(51,498)	-25.1%
Private Fire Service	138,127	3.2%	128,890	3.3%	111,449	2.4%	(17,441)	-13.5%
Public Fire Service	-	0.0%	-	0.0%	-	0.0%	-	-
Total Sales	4,287,796	<u>100.0%</u>	3,888,052	<u>100.0%</u>	4,606,993	<u>100.0%</u>	718,941	18.5%
Other Revenues	84,414		\$84,414		\$84,414		-	0.0%
Total	<u>\$ 4,372,210</u>		<u>\$ 3,972,466</u>		<u>\$ 4,691,407</u>		<u>\$ 718,941</u>	18.1%

WAR-1

Schedule A-WAR

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
OPERATION AND MAINTENANCE EXPENSES										
SOURCE OF SUPPLY EXPENSES										
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS - Labor	2	0	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	1,253	640	224	18	129	138	99	1	3
TOTAL SS EXPENSE - OPERATION		1,253	640	224	18	129	138	99	1	3
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	144,658	73,906	25,894	2,083	14,885	15,941	11,471	116	362
Rents Oper SS	2	58	30	10	1	6	6	5	0	0
Lake, River & Oth Maint SS - Labor	2	142	73	25	2	15	16	11	0	0
Wells & Springs Maint SS - Labor	2	1	1	0	0	0	0	0	0	0
Infill Gall & Tunnels Maint SS - Labor	2	8	4	1	0	1	1	1	0	0
Supply Mains Maint SS - Labor	2	371	189	66	5	38	41	29	0	1
Misc Plant Maint SS - Labor	2	4	2	1	0	0	0	0	0	0
Misc Plant Maint SS	2	2,380	1,216	426	34	245	262	189	2	6
TOTAL SS EXPENSE - MAINTENANCE		147,622	75,420	26,424	2,126	15,190	16,268	11,706	118	369
TOTAL SS EXPENSE		148,875	76,060	26,649	2,144	15,319	16,406	11,806	119	372
POWER AND PUMPING EXPENSES										
Super & Eng Oper P	3	0	0	0	0	0	0	0	0	0
Labor & Exp Oper Pump - Labor	3	17,649	8,505	2,979	240	1,712	1,834	1,318	263	798
Misc Exp Oper P	3	50	24	8	1	5	5	4	1	2
Rents Oper P	3	0	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		17,699	8,529	2,988	241	1,717	1,839	1,322	264	800
Super & Eng Maint P	3	0	0	0	0	0	0	0	0	0
Struct & Improve Maint P - Labor	3	88	43	15	1	9	9	7	1	4
Pump Equip Maint P - Labor	3	26,779	12,905	4,520	364	2,598	2,782	2,000	399	1,210
Pump Equip Maint P	3	0	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		26,867	12,947	4,535	365	2,606	2,791	2,007	400	1,214
TOTAL PUMPING EXPENSES		44,566	21,476	7,523	606	4,323	4,630	3,329	664	2,014

WAR-2

Schedule B-WAR

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
WATER TREATMENT										
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0	0
Chemicals	1	30,903	14,478	5,584	528	3,208	3,826	3,103	43	133
Labor & Exp Oper WT	2	2,522	1,289	451	36	260	278	200	2	6
Misc Exp Oper WT	2	1,015	519	182	15	104	112	80	1	3
Rents Oper WT	2	0	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		34,440	16,285	6,217	579	3,572	4,216	3,383	46	142
Super & Eng Maint WT	2	(15)	(8)	(3)	(0)	(2)	(2)	(1)	(0)	(0)
WT Equip Maint WT	2	7,828	3,999	1,401	113	806	863	621	6	20
TOTAL WT EXPENSE - MAINTENANCE		7,813	3,991	1,398	113	804	861	620	6	20
TOTAL WT EXPENSE		42,253	20,277	7,616	692	4,376	5,077	4,003	52	161
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	10	0	0	0	0	0	0	0	0	0
TD Lines Exp - Labor	6	96,144	39,679	13,499	971	7,759	2,000	5,586	6,595	20,056
TD Lines Exp	6	1,375	567	193	14	111	29	80	94	287
Meter Expense - Labor	8	38,202	30,069	4,936	275	2,449	92	195	187	0
Meter Expense	8	(153)	(120)	(20)	(1)	(10)	(0)	(1)	(1)	0
Customer Install Exp - Labor	9	5,091	3,623	698	35	263	9	17	445	0
Misc Exp Oper TD - Labor	10	27,734	14,555	3,808	255	2,086	419	1,159	1,442	4,010
Misc Exp Oper TD	10	65,719	34,489	9,023	605	4,942	992	2,747	3,417	9,503
Rents Oper TD	10	8,182	4,294	1,123	75	615	124	342	425	1,183
TOTAL T & D EXPENSE OPERATION		242,293	127,155	33,260	2,229	18,215	3,664	10,125	12,606	35,039
Super & Eng Maint TD	11	0	0	0	0	0	0	0	0	0
Struct & Improve Maint TD - Labor	11	2	1	0	0	0	0	0	0	0
Struct & Improve Maint TD	11	501	205	68	5	38	10	27	33	115
TD Main Maint TD - Labor	6	10,550	4,354	1,481	107	851	219	613	724	2,201
TD Main Maint TD	6	76,956	31,760	10,805	777	6,210	1,601	4,471	5,279	16,053
Services Maint TD - Labor	9	3,076	2,189	422	21	159	6	10	269	0
Meters Maint TD - Labor	8	3	3	0	0	0	0	0	0	0
Meters Maint TD	8	466	367	60	3	30	1	2	2	0
Hydrants Maint TD - Labor	7	2,892	0	0	0	0	0	0	0	2,892
Hydrants Maint TD	7	426	0	0	0	0	0	0	0	426
Misc Plant Maint TD - Labor	11	10	4	1	0	1	0	1	1	2
Mat and Sup Maint TD	11	35,708	14,633	4,831	343	2,742	693	1,928	2,375	8,163
TOTAL T & D EXPENSE - MAINTENANCE		130,591	53,516	17,669	1,256	10,033	2,529	7,053	8,683	29,852
TOTAL T & D EXPENSE		372,884	180,671	50,930	3,485	28,247	6,193	17,178	21,289	64,891

WAR-3

Schedule B-WAR

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
CUSTOMER ACCOUNTS										
Supervision CA	12	0	0	0	0	0	0	0	0	0
Meter Reading Exp CA - Labor	13	38,266	34,110	3,191	73	849	15	27	0	0
Cust Rec & Collection CA - Labor	12	1,426	1,255	118	3	31	1	1	18	0
Cust Rec & Collection CA	12	52,818	46,485	4,352	100	1,162	21	37	660	0
Uncollectible Accts	12	60,345	53,110	4,972	115	1,328	24	42	754	0
Misc Cust Accts Exp CA - Labor	12	12,584	11,075	1,037	24	277	5	9	157	0
Misc Cust Accts Exp CA	12	9,676	8,516	797	18	213	4	7	121	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		175,115	154,551	14,468	333	3,860	70	123	1,711	0
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	14	142,747	83,164	19,271	1,270	10,035	5,410	6,324	4,511	12,762
Other Supplies & Exp AG	14	49,874	29,057	6,733	444	3,506	1,890	2,209	1,576	4,459
Mgmt Fees-Admin	14	317,717	185,102	42,892	2,828	22,336	12,041	14,075	10,040	28,404
Mgmt Fees-Customer Service	12	58,366	51,368	4,809	111	1,284	23	41	730	0
Mgmt Fees-Belleville Lab	2	1,832	936	328	26	189	202	145	1	5
Mgmt Fees- Employee	16	19,767	11,469	2,615	170	1,358	599	806	700	2,050
Outside Services AG	14	20,432	11,903	2,758	182	1,436	774	905	646	1,827
Outside Services AG	14	0	0	0	0	0	0	0	0	0
Property Insurance	14	0	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	14	45,886	26,733	6,195	408	3,226	1,739	2,033	1,450	4,102
Ins Work Comp AG	16	13,428	7,791	1,777	115	923	407	548	475	1,392
Ins Other Oper AG	14	7,807	4,548	1,054	69	549	296	346	247	698
Ins Other Vehicle	14	1,963	1,144	265	17	138	74	87	62	176
Injuries & Damages	16	(292)	(169)	(39)	(3)	(20)	(9)	(12)	(10)	(30)
Employee Pension & Benefits	16	159,001	92,252	21,036	1,367	10,923	4,818	6,487	5,629	16,488
Reg Commision Exp	19	11,482	6,309	1,604	110	852	508	536	370	1,193
Rents AG	14	3,029	1,765	409	27	213	115	134	96	271
Goodwill Advertising Exp	14	803	468	108	7	56	30	36	25	72
Misc Exp AG	14	33,113	19,292	4,470	295	2,328	1,255	1,467	1,046	2,960
Research & Development	14	1,166	679	157	10	82	44	52	37	104
TOTAL A & G OPERATIONS		888,121	533,811	116,443	7,456	59,413	30,217	36,219	27,630	76,932
General Plant Maint AG	14	9,242	5,384	1,248	82	650	350	409	292	826
TOTAL A & G EXPENSE - MAINTENANCE		9,242	5,384	1,248	82	650	350	409	292	826
TOTAL A & G EXPENSE		897,363	539,195	117,690	7,539	60,063	30,568	36,628	27,922	77,758
Total Operation & Maintenance Expenses		1,681,055	992,231	224,875	14,798	116,188	62,944	73,066	51,757	145,196

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Schedule B-WAR

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
DEPRECIATION EXPENSE										
Struct & Imp SS	2	2,392	1,222	428	34	246	264	190	2	6
Struct & Imp P	3	9,382	4,521	1,584	128	910	975	701	140	424
Struct & Imp WT	2	21,610	11,041	3,868	311	2,224	2,381	1,714	17	54
Struct & Imp TD	6	5,133	2,118	721	52	414	107	298	352	1,071
Struct & Imp AG	14	734	428	99	7	52	28	33	23	66
Struct & Imp Offices	14	5,131	2,989	693	46	361	194	227	162	459
Struct & Imp Store,Shop,Gar	14	1,659	967	224	15	117	63	73	52	148
Struct & Imp Misc	14	379	221	51	3	27	14	17	12	34
Wells & Springs	2	21,918	11,198	3,923	316	2,255	2,415	1,738	18	55
Supply Mains	2	2,759	1,410	494	40	284	304	219	2	7
Power Generation Equip	3	163	79	28	2	16	17	12	2	7
Pump Equip Electric	3	11,347	5,468	1,915	154	1,101	1,179	848	169	513
Pump Equip Hydraulic	3	1,610	776	272	22	156	167	120	24	73
Pump Equip Other	3	239	115	40	3	23	25	18	4	11
WT Equip Non-Media	2	80,715	41,237	14,448	1,162	8,306	8,895	6,401	65	202
Dist Reservoirs & Standpipe	5	12,850	5,907	1,975	134	1,135	519	784	592	1,804
Elevated Tanks & Standpipes	5	1,334	613	205	14	118	54	81	61	187
TD Mains Not Classified by	6	66,894	27,607	9,392	676	5,398	1,391	3,887	4,589	13,954
TD Mains 4" & Less	4	2,319	917	309	22	178	0	125	190	579
TD Mains 6 to 8"	4	8,682	3,433	1,156	81	665	0	468	712	2,167
TD Mains 10 to 16"	3	63,870	30,779	10,781	869	6,195	6,636	4,771	952	2,887
TD Mains 18" & Grtr	3	20	10	3	0	2	2	1	0	1
Fire Mains	7	1,831	0	0	0	0	0	0	0	1,831
Services	9	80,921	57,591	11,102	558	4,184	146	267	7,072	0
Meters Bronze Case	8	21,371	16,821	2,761	154	1,370	51	109	105	0
Meters Plastic Case	8	6,062	4,771	783	44	389	15	31	30	0
Meters Other	8	4,131	3,252	534	30	265	10	21	20	0
Meter Installations	8	35,960	28,304	4,646	259	2,305	86	183	176	0
Meter Vaults	8	175	138	23	1	11	0	1	1	0
Hydrants	7	21,319	0	0	0	0	0	0	0	21,319
Other P/E CPS	14	472	275	64	4	33	18	21	15	42
Office Furniture & Equip	14	513	299	69	5	36	19	23	16	46
Comp & Periph Equip	14	40,884	23,819	5,519	364	2,874	1,550	1,811	1,292	3,655
Computer Software	14	10,126	5,899	1,367	90	712	384	449	320	905
Comp Software Mainframe	14	51,975	30,280	7,017	463	3,654	1,970	2,302	1,642	4,647
Comp Software Mainframe - CIS	12	26,584	23,397	2,191	51	585	11	19	332	0
Comp Software Other	14	68	40	9	1	5	3	3	2	6
Other Office Equipment	14	73	42	10	1	5	3	3	2	7

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Schedule B-WAR

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Trans Equip Lt Duty Trks	14	9,141	5,326	1,234	81	643	346	405	289	817
Trans Equip Other	14	10	6	1	0	1	0	0	0	1
Stores Equipment	14	653	380	88	6	46	25	29	21	58
Tools,Shop,Garage Equip	14	3,437	2,003	464	31	242	130	152	109	307
Laboratory Equipment	2	4,469	2,283	800	64	460	492	354	4	11
Power Operated Equipment	14	2,223	1,295	300	20	156	84	98	70	199
Comm Equip Non-Telephone	14	2,520	1,468	340	22	177	95	112	80	225
Remote Control & Instr	14	8,409	4,899	1,135	75	591	319	373	266	752
Comm Equip Telephone	14	208	121	28	2	15	8	9	7	19
Misc Equipment	14	3,589	2,091	484	32	252	136	159	113	321
Other Tangible Property	14	320	186	43	3	22	12	14	10	29
Total Depreciation Expense		658,583	368,042	93,623	6,448	49,213	31,544	29,674	20,135	59,904
Amort-Other UP	18	2,262	1,154	326	23	178	111	114	77	280
Amort-UPAA	2	384	196	69	6	40	42	30	0	1
Amort-Property Losses	2	2,253	1,151	403	32	232	248	179	2	6
Taxes Other Than Income										
Utility Reg Assessment Fee	19	36,054	19,812	5,037	346	2,675	1,594	1,684	1,161	3,746
Property Taxes	18	289,670	147,790	41,741	2,984	22,739	14,165	14,541	9,849	35,861
Payroll Taxes	16	32,276	18,727	4,270	278	2,217	978	1,317	1,143	3,347
Other Taxes & Licenses	14	19,692	11,473	2,658	175	1,384	746	872	622	1,760
Gross Receipts Tax	19	0	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		377,692	197,800	53,707	3,783	29,016	17,483	18,414	12,775	44,715
Income Taxes	18	494,443	252,265	71,249	5,093	38,814	24,178	24,821	16,811	61,212
Utility Income Available for Return	18	1,155,538	589,555	166,513	11,902	90,710	56,506	58,008	39,288	143,056
Total Cost of Service		4,372,210	2,402,394	610,765	42,085	324,390	193,056	204,307	140,845	454,369
Less: Other Water Revenues	19	84,414	46,385	11,793	810	6,264	3,731	3,942	2,718	8,771
Total Other Water Revenues		84,414	46,385	11,793	810	6,264	3,731	3,942	2,718	8,771
Total Cost of Service Related to Sales of Water		\$ 4,287,796	\$ 2,356,009	\$ 598,972	\$ 41,274	\$ 318,126	\$ 189,325	\$ 200,364	\$ 138,127	\$ 445,599
Reallocation of Public Fire	20	0	353,315	57,972	3,253	28,786	0	2,273	0	(445,599)
Total		\$ 4,287,796	\$ 2,709,324	\$ 656,945	\$ 44,527	\$ 346,912	\$ 189,325	\$ 202,637	\$ 138,127	\$ -

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Schedule B-WAR

**MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

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

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

Customer Classification	Average Daily Consumption, 100 Gallons	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	9,561	0.4685
Commercial - Rate A	3,689	0.1807
Industrial - Rate A	350	0.0171
Other Public Authority - Rate A	2,119	0.1038
Sales for Resale - Rate B	2,527	0.1238
Rate J - Large Users	2,050	0.1004
Private Fire Protection	29	0.0014
Public Fire Protection	88	0.0043
Total	<u>20,413</u>	<u>1.0000</u>

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.5882	(4)	(5)=(4)x 0.4118	(6)=(3)+(5)
Residential - Rate A	0.4685	0.2755	0.5719	0.2354	0.5109
Commercial - Rate A	0.1807	0.1063	0.1765	0.0727	0.1790
Industrial - Rate A	0.0171	0.0101	0.0105	0.0043	0.0144
Other Public Authority - Rate A	0.1038	0.0611	0.1014	0.0418	0.1029
Sales for Resale - Rate B	0.1238	0.0728	0.0907	0.0374	0.1102
Rate J - Large Users	0.1004	0.0591	0.0490	0.0202	0.0793
Private Fire Protection	0.0014	0.0008			0.0008
Public Fire Protection	0.0043	0.0025			0.0025
Total	<u>1.0000</u>	<u>0.5882</u>	<u>1.0000</u>	<u>0.4118</u>	<u>1.0000</u>

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

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

Customer Classification	Average Daily Consumption, 100 Gallons	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, 100 Gallons Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	9,561	1.0	9,561	0.5719
Commercial - Rate A	3,689	0.8	2,951	0.1765
Industrial - Rate A	350	0.5	175	0.0105
Other Public Authority - Rate	2,119	0.8	1,695	0.1014
Sales for Resale - Rate B	2,527	0.6	1,516	0.0907
Rate J - Large Users	2,050	0.4	820	0.0490
Total	20,296		16,718	1.0000

The weighting of the factors is based on the maximum day ratio of 1.70, based on a review of maximum day ratios experienced during the period 1990 through 2014 (see Schedule D).

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

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

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

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor
	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2) X 0.5548	(4)	(5)=(4) X 0.3883	(6)	(7)=(6) X 0.0569	(8)=(3)+(5)+(7)
Residential - Rate A	0.4685	0.2598	0.5719	0.2221			0.4819
Commercial - Rate A	0.1807	0.1003	0.1765	0.0685			0.1688
Industrial - Rate A	0.0171	0.0095	0.0105	0.0041			0.0136
Other Public Authority - Rate A	0.1038	0.0576	0.1014	0.0394			0.0970
Sales for Resale - Rate B	0.1238	0.0687	0.0907	0.0352			0.1039
Rate J - Large Users	0.1004	0.0557	0.0490	0.0190			0.0747
Private Fire Protection	0.0014	0.0008			0.2472	0.0141	0.0149
Public Fire Protection	0.0043	0.0024			0.7528	0.0428	0.0452
Total	1.0000	0.5548	1.0000	0.3883	1.0000	0.0569	1.0000

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Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.70 and the average daily system sendout for 2014 of 2.341 MGD. The system demand for fire protection is 2,000 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,340,573	0.5548
Maximum Day Extra Capacity	<u>0.70</u>	<u>1,638,401</u>	<u>0.3883</u>
Subtotal	<u><u>1.70</u></u>	3,978,974	0.9431
Fire Protection		<u>240,000</u>	<u>0.0569</u>
Total		<u><u>4,218,974</u></u>	<u><u>1.0000</u></u>

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

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.2680	(5)	(6)=(5) X 0.4021	(7)	(8)=(7) X 0.3299	(9)=(4)+(6)+(8)
Residential - Rate A	398.4	0.5345	0.1432	0.6274	0.2522			0.3954
Commercial - Rate A	153.7	0.2062	0.0553	0.1937	0.0779			0.1332
Industrial - Rate A	14.6	0.0196	0.0053	0.0099	0.0040			0.0093
Other Public Authority - Rate A	88.3	0.1185	0.0318	0.1113	0.0448			0.0766
Sales for Resale - Rate B	0.0	0.0000	0.0000	0.0000	0.0000			0.0000
Rate J - Large Users	85.4	0.1146	0.0307	0.0577	0.0232			0.0539
Private Fire Protection	1.2	0.0016	0.0004			0.2472	0.0816	0.0820
Public Fire Protection	3.7	0.0050	0.0013			0.7528	0.2483	0.2496
Total	745.3	1.0000	0.2680	1.0000	0.4021	1.0000	0.3299	1.0000

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

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Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.5 and the average daily system sendout for 2014 of 2.341 MGD. The system demand for fire protection is 2,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,625	0.2680
Maximum Hour Extra Capacity	<u>1.50</u>	<u>2,438</u>	<u>0.4021</u>
Subtotal	<u><u>2.50</u></u>	4,063	0.6701
Fire Protection		<u>2,000</u>	<u>0.3299</u>
Total		<u><u>6,063</u></u>	<u><u>1.0000</u></u>

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

Customer Classification	Average Hourly Consumption 100 Gallons	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential - Rate A	398.4	3.5	1,394.4	0.6274
Commercial - Rate A	153.7	2.8	430.4	0.1937
Industrial - Rate A	14.6	1.5	21.9	0.0099
Other Public Authority - Rate A	88.3	2.8	247.2	0.1113
Sales for Resale - Rate B	0.0	2.0	0.0	0.0000
Rate J - Large Users	<u>85.4</u>	1.5	<u>128.1</u>	<u>0.0577</u>
Total	<u><u>740.4</u></u>		<u><u>2,222.0</u></u>	<u><u>1.0000</u></u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

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

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

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

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity		Fire Protection		Allocation Factor
	100 Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)	(4)=(3) X 0.3262	(5)	(6)=(5) X 0.4892	(7)	(8)=(7) X 0.1846	(9)=(4)+(6)+(8)
Residential - Rate A	398.4	0.4684	0.1527	0.6274	0.3070			0.4597
Commercial - Rate A	153.7	0.1807	0.0589	0.1937	0.0948			0.1537
Industrial - Rate A	14.6	0.0172	0.0056	0.0099	0.0048			0.0104
Other Public Authority - Ra	88.3	0.1038	0.0339	0.1113	0.0544			0.0883
Sales for Resale - Rate B	105.3	0.1238	0.0404	0.0000	0.0000			0.0404
Rate J - Large Users	85.4	0.1004	0.0328	0.0577	0.0282			0.0610
Private Fire Protection	1.2	0.0014	0.0005			0.2472	0.0456	0.0461
Public Fire Protection	3.7	0.0043	0.0014			0.7528	0.1390	0.1404
Total	850.6	1.0000	0.3262	1.0000	0.4892	1.0000	0.1846	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.

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Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

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

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

$$\text{Fire Protection Weight} = \frac{2,000 \text{ GPM} \times 60 \text{ Min.} \times 2 \text{ Hrs.}}{1,300,000 \text{ Gallons}} = 0.1846$$

$$\text{General Service Weight} : 1.0000 - 0.1846 = 0.8154$$

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

	<u>Maximum Hour Ratio</u>	<u>Percent</u>	<u>Weight</u>
Average Hour	1.00	40.00	0.3262
Extra Capacity Maximum Hour	<u>1.50</u>	<u>60.00</u>	<u>0.4892</u>
Total	<u><u>2.50</u></u>	<u><u>100.00</u></u>	<u><u>0.8154</u></u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X	(4)	(5)=(4)X	(6)=(3)+(5)
		0.2006		0.7994	
Residential - Rate A	0.4819	0.0966	0.3954	0.3161	0.4127
Commercial - Rate A	0.1688	0.0339	0.1332	0.1065	0.1404
Industrial - Rate A	0.0136	0.0027	0.0093	0.0074	0.0101
Other Public Authority - Rat	0.0970	0.0195	0.0766	0.0612	0.0807
Sales for Resale - Rate B	0.1039	0.0208	0.0000	0.0000	0.0208
Rate J - Large Users	0.0747	0.0150	0.0539	0.0431	0.0581
Private Fire Protection	0.0149	0.0030	0.0820	0.0656	0.0686
Public Fire Protection	0.0452	0.0091	0.2496	0.1995	0.2086
Total	1.0000	0.2006	1.0000	0.7994	1.0000

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

	Total Footage of Mains	Weight
Transmission Mains	116,264	0.2006
Distribution Mains	463,289	0.7994
Total	579,553	1.0000

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	6,643	0.7871
Commercial - Rate A	1,090	0.1292
Industrial - Rate A	61	0.0072
Other Public Authority - Rate A	541	0.0641
Sales for Resale - Rate B	20	0.0024
Rate J - Large Users	43	0.0051
Private Fire	<u>41</u>	<u>0.0049</u>
Total	<u><u>8,439</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size	5/8" Dollar Equivalent	Rate A								Rate B		Rate J		Rate F		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire		Total	
		Number of Meters	Weighting (4)=(2)X(3)	Number of Meters	Weighting (6)=(2)X(5)	Number of Meters	Weighting (8)=(2)X(7)	Number of Meters	Weighting (10)=(2)X(9)	Number of Meters	Weighting (12)=(2)X(11)	Number of Meters	Weighting (12)=(2)X(11)	Number of Meters	Weighting (14)=(2)X(13)	Number of Meters	Weighting (16)
(1)	(2)	(3)	(4)=(2)X(3)	(5)	(6)=(2)X(5)	(7)	(8)=(2)X(7)	(9)	(10)=(2)X(9)	(11)	(12)=(2)X(11)	(11)	(12)=(2)X(11)	(13)	(14)=(2)X(13)	(15)	(16)
5/8	1.0	6,583	6,583	407	407	0	0	92	92	0	0	0	0	41	41	7,123	7,123
3/4	2.1	4	8	7	15	0	0	1	2	0	0	0	0	0	0	12	25
1	2.0	26	52	87	174	5	10	7	14	0	0	0	0	0	0	125	250
1-1/2	3.5	0	0	27	95	1	4	4	14	0	0	0	0	0	0	32	113
2	4.3	0	0	88	378	6	26	41	176	2	9	1	4	0	0	138	593
3	7.0	0	0	3	21	0	0	6	42	0	0	1	7	0	0	10	70
4	10.5	0	0	0	0	2	21	13	137	1	11	3	32	0	0	19	201
6	16.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	64.0	0	0	0	0	0	0	1	64	0	0	0	0	0	0	1	64
Total		<u>6,613</u>	<u>6,643</u>	<u>619</u>	<u>1,090</u>	<u>14</u>	<u>61</u>	<u>165</u>	<u>541</u>	<u>3</u>	<u>20</u>	<u>5</u>	<u>43</u>	<u>41</u>	<u>41</u>	<u>7,460</u>	<u>8,439</u>

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Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	6,663	0.7117
Commercial - Rate A	1,284	0.1372
Industrial - Rate A	65	0.0069
Other Public Authority - Rate A	484	0.0517
Sales for Resale - Rate B	17	0.0018
Rate J - Large Users	31	0.0033
Private Fire Protection	<u>818</u>	<u>0.0874</u>
Total	<u><u>9,362</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Rate A								Rate B		Rate J		Rate F		Total	
		Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Large Users		Private Fire Protection		Number of	
		Services (3)	Weighting (4)=(2)X(3)	Services (5)	Weighting (6)=(2)X(5)	Services (7)	Weighting (8)=(2)X(7)	Services (9)	Weighting (10)=(2)X(9)	Services (11)	Weighting (12)=(2)X(11)	Services (11)	Weighting (12)=(2)X(11)	Services (13)	Weighting (14)=(2)X(11)	Services (15)	Weighting (16)
3/4	1.00	6,587	6,587	414	414	0	0	93	93	0	0	0	0	0	0	7,094	7,094
1	2.94	26	76	87	256	5	15	7	21	0	0	0	0	0	0	125	368
1-1/2	4.02	0	0	27	109	1	4	4	16	0	0	0	0	0	0	32	129
2	5.55	0	0	88	488	6	33	41	228	2	11	1	6	3	17	141	783
3	5.55	0	0	3	17	0	0	6	33	0	0	1	6	1	6	11	62
4	6.37	0	0	0	0	2	13	13	83	1	6	3	19	19	121	38	242
6	9.92	0	0	0	0	0	0	0	0	0	0	0	0	45	446	45	446
8	9.92	0	0	0	0	0	0	1	10	0	0	0	0	22	218	23	228
10	9.92	0	0	0	0	0	0	0	0	0	0	0	0	1	10	1	10
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		<u>6,613</u>	<u>6,663</u>	<u>619</u>	<u>1,284</u>	<u>14</u>	<u>65</u>	<u>165</u>	<u>484</u>	<u>3</u>	<u>17</u>	<u>5</u>	<u>31</u>	<u>91</u>	<u>818</u>	<u>7,510</u>	<u>9,362</u>

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Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 10. 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 - Rate A	\$ 73,818	0.5248
Commercial - Rate A	19,306	0.1373
Industrial - Rate A	1,294	0.0092
Other Public Authority - Rate A	10,572	0.0752
Sales for Resale - Rate B	2,129	0.0151
Rate J - Large Users	5,877	0.0418
Private Fire Protection	7,321	0.0520
Public Fire Protection	20,342	0.1446
	<u>140,659</u>	<u>1.0000</u>
Total	<u>140,659</u>	<u>1.0000</u>

FACTOR 11. 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 - Rate A	\$ 38,673	0.4098
Commercial - Rate A	12,769	0.1353
Industrial - Rate A	908	0.0096
Other Public Authority - Rate A	7,251	0.0768
Sales for Resale - Rate B	1,827	0.0194
Rate J - Large Users	5,097	0.0540
Private Fire Protection	6,274	0.0665
Public Fire Protection	21,572	0.2286
	<u>\$94,370</u>	<u>1.0000</u>
Total	<u>\$94,370</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 12. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

<u>Customer Classification</u> (1)	<u>Total Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	6,613	0.8801
Commercial - Rate A	619	0.0824
Industrial - Rate A	14	0.0019
Other Public Authority - Rate A	165	0.0220
Sales for Resale - Rate B	3	0.0004
Rate J - Large Users	5	0.0007
Private Fire Protection	94	0.0125
Public Fire Protection	<u>0</u>	<u>0.0000</u>
 Total	 <u><u>7,513</u></u>	 <u><u>1.0000</u></u>

FACTOR 13. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

<u>Customer Classification</u> (1)	<u>Total Metered Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	6,613	0.8914
Commercial - Rate A	619	0.0834
Industrial - Rate A	14	0.0019
Other Public Authority - Rate A	165	0.0222
Sales for Resale - Rate B	3	0.0004
Rate J - Large Users	<u>5</u>	<u>0.0007</u>
 Total	 <u><u>7,419</u></u>	 <u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 14. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES

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 - Rate A	\$438,557	0.5826
Commercial - Rate A	101,600	0.1350
Industrial - Rate A	6,731	0.0089
Other Public Authority - Rate A	52,918	0.0703
Sales for Resale - Rate B	28,550	0.0379
Rate J - Large Users	33,335	0.0443
Private Fire Protection	23,792	0.0316
Public Fire Protection	67,306	0.0894
	<u>67,306</u>	<u>0.0894</u>
Total	<u>\$752,789</u>	<u>1.0000</u>

FACTOR 15. ALLOCATION OF CASH WORKING CAPITAL

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

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential - Rate A	\$985,921	0.5905
Commercial - Rate A	223,271	0.1337
Industrial - Rate A	14,688	0.0088
Other Public Authority - Rate A	115,336	0.0691
Sales for Resale - Rate B	62,436	0.0374
Rate J - Large Users	72,530	0.0434
Private Fire Protection	51,387	0.0308
Public Fire Protection	144,003	0.0863
	<u>144,003</u>	<u>0.0863</u>
Total	<u>\$1,669,573</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

<u>Customer Classification</u> (1)	<u>Direct Labor Expense</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	\$245,794	0.5802
Commercial - Rate A	56,068	0.1323
Industrial - Rate A	3,647	0.0086
Other Public Authority - Rate A	29,131	0.0687
Sales for Resale - Rate B	12,857	0.0303
Rate J - Large Users	17,307	0.0408
Private Fire Protection	15,013	0.0354
Public Fire Protection	43,936	0.1037
Total	<u>\$423,754</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:

<u>Customer Classification</u> (1)	<u>Original Cost Less Depreciation</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	\$9,314,770	0.5098
Commercial - Rate A	2,632,272	0.1441
Industrial - Rate A	188,388	0.0103
Other Public Authority - Rate A	1,435,010	0.0786
Sales for Resale - Rate B	895,353	0.0490
Rate J - Large Users	917,658	0.0502
Private Fire Protection	622,068	0.0341
Public Fire Protection	2,263,178	0.1239
Total	<u>\$18,268,697</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG 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 - Rate A	\$7,180,045	0.5102
Commercial - Rate A	2,027,539	0.1441
Industrial - Rate A	145,101	0.0103
Other Public Authority - Rate A	1,105,049	0.0785
Sales for Resale - Rate B	688,838	0.0489
Rate J - Large Users	706,952	0.0502
Private Fire Protection	479,238	0.0340
Public Fire Protection	1,741,995	0.1238
Total	<u>\$14,074,757</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 - Rate A	\$2,376,273	0.5495
Commercial - Rate A	604,124	0.1397
Industrial - Rate A	41,628	0.0096
Other Public Authority - Rate A	320,862	0.0742
Sales for Resale - Rate B	190,955	0.0442
Rate J - Large Users	202,087	0.0467
Private Fire Protection	139,314	0.0322
Public Fire Protection	449,430	0.1039
Total	<u>\$4,324,674</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
RATE BASE										
Organization	17	\$ 3,091	\$ 1,576	\$ 445	\$ 32	\$ 243	\$ 151	\$ 155	\$ 105	\$ 383
Franchises	17	5,083	2,591	732	52	400	249	255	173	630
Land & Ld Rights SS	2	9,981	5,099	1,787	144	1,027	1,100	792	8	25
Land & Ld Rights WT	2	511	261	91	7	53	56	41	0	1
Land & Ld Rights TD	6	147,080	60,700	20,650	1,486	11,869	3,059	8,545	10,090	30,681
Land & Land Rights AG	15	2,222	1,312	297	20	154	83	96	68	192
Struct & Imp SS	2	99,641	50,907	17,836	1,435	10,253	10,980	7,902	80	249
Struct & Imp P	3	174,717	84,196	29,492	2,376	16,948	18,153	13,051	2,603	7,897
Struct & Imp WT	2	711,229	363,367	127,310	10,242	73,186	78,377	56,400	569	1,778
Struct & Imp TD	6	266,281	109,894	37,386	2,689	21,489	5,539	15,471	18,267	55,546
Struct & Imp AG	14	34,945	20,359	4,718	311	2,457	1,324	1,548	1,104	3,124
Struct & Imp Offices	14	162,181	94,487	21,894	1,443	11,401	6,147	7,185	5,125	14,499
Struct & Imp Store,Shop,Gar	14	46,865	27,304	6,327	417	3,295	1,776	2,076	1,481	4,190
Struct & Imp Misc	14	12,315	7,174	1,662	110	866	467	546	389	1,101
Wells & Springs	2	721,251	368,487	129,104	10,386	74,217	79,482	57,195	577	1,803
Supply Mains	2	111,419	56,924	19,944	1,604	11,465	12,278	8,836	89	279
Power Generation Equip	3	3,791	1,827	640	52	368	394	283	56	171
Pump Equip Electric	3	727,495	350,580	122,801	9,894	70,567	75,587	54,344	10,840	32,883
Pump Equip Hydraulic	3	68,554	33,036	11,572	932	6,650	7,123	5,121	1,021	3,099
Pump Equip Other	3	4,392	2,117	741	60	426	456	328	65	199
WT Equip Non-Media	2	1,983,735	1,013,490	355,089	28,566	204,126	218,608	157,310	1,587	4,959
Dist Reservoirs & Standpipe	5	395,498	181,811	60,788	4,113	34,922	15,978	24,125	18,232	55,528
Elevated Tanks & Standpipes	5	41,045	18,869	6,309	427	3,624	1,658	2,504	1,892	5,763
TD Mains Not Classified by	6	2,113,743	872,342	296,770	21,349	170,579	43,966	122,808	145,003	440,927
TD Mains 4" & Less	4	102,010	40,335	13,588	949	7,814	0	5,498	8,365	25,462
TD Mains 6 to 8"	4	2,107,715	833,390	280,748	19,602	161,451	0	113,606	172,833	526,086
TD Mains 10 to 16"	3	2,548,078	1,227,919	430,116	34,654	247,164	264,745	190,341	37,966	115,173
TD Mains 18" & Grtr	3	921	444	155	13	89	96	69	14	42
Fire Mains	7	83,446	0	0	0	0	0	0	0	83,446
Services	9	1,599,029	1,138,029	219,387	11,033	82,670	2,878	5,277	139,755	0
Meters Bronze Case	8	706,048	555,730	91,221	5,084	45,258	1,695	3,601	3,460	0
Meters Plastic Case	8	216,873	170,701	28,020	1,561	13,902	520	1,106	1,063	0
Meters Other	8	113,912	89,660	14,717	820	7,302	273	581	558	0
Meter Installations	8	973,363	766,134	125,758	7,008	62,393	2,336	4,964	4,769	0
Meter Vaults	8	4,724	3,718	610	34	303	11	24	23	0
Hydrants	7	758,396	0	0	0	0	0	0	0	758,396
Other P/E CPS	14	9,994	5,822	1,349	89	703	379	443	316	893
Office Furniture & Equip	14	35,476	20,668	4,789	316	2,494	1,345	1,572	1,121	3,172
Comp & Periph Equip	14	162,657	94,764	21,959	1,448	11,435	6,165	7,206	5,140	14,541
Computer Software	14	76,305	44,455	10,301	679	5,364	2,892	3,380	2,411	6,822
Comp Software Mainframe	14	378,046	220,250	51,036	3,365	26,577	14,328	16,747	11,946	33,797
Comp Software Mainframe - CIS	12	193,366	170,181	15,933	367	4,254	77	135	2,417	0
Comp Software Other	14	511	298	69	5	36	19	23	16	46
Other Office Equipment	14	72	42	10	1	5	3	3	2	6

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Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY

WARRENSBURG DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2014, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Rate A				Rate B	Rate J	Fire Protection	
			Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Large Users (9)	Private (10)	Public (11)
Trans Equip Lt Duty Trks	14	166,940	97,260	22,537	1,486	11,736	6,327	7,395	5,275	14,924
Trans Equip Hvy Duty Trks	14	(1,336)	(778)	(180)	(12)	(94)	(51)	(59)	(42)	(119)
Trans Equip Autos	14	10,030	5,843	1,354	89	705	380	444	317	897
Trans Equip Other	14	(34,202)	(19,926)	(4,617)	(304)	(2,404)	(1,296)	(1,515)	(1,081)	(3,058)
Tools,Shop,Garage Equip	14	41,638	24,258	5,621	371	2,927	1,578	1,845	1,316	3,722
Laboratory Equipment	2	19,332	9,877	3,460	278	1,989	2,130	1,533	15	48
Power Operated Equipment	14	7,780	4,532	1,050	69	547	295	345	246	696
Comm Equip Non-Telephone	14	3,506	2,042	473	31	246	133	155	111	313
Remote Control & Instr	14	126,068	73,447	17,019	1,122	8,863	4,778	5,585	3,984	11,270
Comm Equip Telephone	14	(4,365)	(2,543)	(589)	(39)	(307)	(165)	(193)	(138)	(390)
Misc Equipment	14	23,472	13,675	3,169	209	1,650	890	1,040	742	2,098
Other Tangible Property	17	2,719	1,386	392	28	214	133	136	93	337
Total Utility Plant in Service		18,279,590	9,320,323	2,633,842	188,501	1,435,866	895,887	918,205	622,440	2,264,527
Other Rate Base Items										
Add:										
Materials and Supplies	14	15,237	8,877	2,057	136	1,071	577	675	481	1,362
Prepayments	14	31,996	18,641	4,319	285	2,249	1,213	1,417	1,011	2,860
Pension / OPEB Tracker	16	231,247	134,170	30,594	1,989	15,887	7,007	9,435	8,186	23,980
Tank Painting Tracker	5	23,390	10,752	3,595	243	2,065	945	1,427	1,078	3,284
Less:										
Deferred Income Taxes	17	(4,290,786)	(2,187,443)	(618,302)	(44,195)	(337,256)	(210,249)	(215,397)	(146,316)	(531,628)
Pensions	16	(215,917)	(125,275)	(28,566)	(1,857)	(14,833)	(6,542)	(8,809)	(7,643)	(22,391)
Total Other Rate Base Elements		(4,204,833)	(2,140,278)	(606,303)	(43,400)	(330,817)	(207,049)	(211,253)	(143,202)	(522,532)
Total Original Cost Measure of Value		\$ 14,074,757	\$ 7,180,045	\$ 2,027,539	\$ 145,101	\$ 1,105,049	\$ 688,838	\$ 706,952	\$ 479,238	\$ 1,741,995

WAR-26

Schedule C-WAR

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

FACTOR 20. REALLOCATION OF PUBLIC FIRE

Factors are based on the relative cost of meters by size and customer classification.

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential - Rate A	6,643	0.7929
Commercial - Rate A	1,090	0.1301
Industrial - Rate A	61	0.0073
Other Public Authority - Rate A	541	0.0646
Sales for Resale - Rate B	0	0.0000
Rate J - Large Users	43	0.0051
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>8,378</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2014

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	2.048	3.225	1.57	8/28/1990
1991	2.120	3.397	1.60	8/27/1991
1992	2.225	3.348	1.50	7/1/1992
1993	2.408	3.933	1.63	8/26/1993
1994	2.287	3.636	1.59	6/20/1994
1995	2.318	3.631	1.57	8/30/1995
1996	2.287	3.421	1.50	7/18/1996
1997	2.241	3.863	1.72	7/24/1997
1998	2.393	3.792	1.58	7/21/1998
1999	2.427	3.893	1.60	7/29/1999
2000	2.472	4.075	1.65	8/29/2000
2001	2.403	3.647	1.52	8/21/2001
2002	2.548	3.769	1.48	9/8/2002
2003	2.404	4.189	1.74	8/26/2003
2004	2.262	3.162	1.40	6/8/2004
2005	2.488	4.011	1.61	8/2/2005
2006	2.537	4.001	1.58	8/9/2006
2007	2.540	3.833	1.51	8/7/2007
2008	2.451	3.449	1.41	7/23/2008
2009	2.417	3.123	1.29	6/23/2009
2010	2.423	3.451	1.42	8/10/2010
2011	2.544	3.866	1.52	7/27/2011
2012	2.709	4.446	1.64	7/24/2012
2013	2.370	3.781	1.60	7/19/2013
2014	2.341	3.204	1.37	6/1/2014

MISSOURI-AMERICAN WATER COMPANY
WARRENSBURG DISTRICT

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

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	3	12	
3 -inch	9.00	0	0	
4 -inch	16.00	19	304	
6 -inch	36.00	45	1,620	
8 -inch	64.00	22	1,408	
10 -inch	100.00	1	100	
12 -inch	144.00	0	0	
Private Hydrants	26.50	4	106	
Total Private Fire Protection		94	3,550	0.2472
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
5 1/4" Valve	1- 2-1/2" & 1- 4.5"	26.50	92	2,438
4 1/2" Valve	1- 2-1/2" & 1- 4.5"	20.25	321	6,500
4 1/2" Valve	1- 2-1/2"	6.25	300	1,875
Total Public Fire Protection		713	10,813	0.7528
Total Fire Protection		807	14,363	1.0000

MISSOURI AMERICAN WATER
 WARRENSBURG DISTRICT
 CALCULATION OF THE 5/8-INCH CUSTOMER COSTS PER MONTH
 INCLUDING THE UNRECOVERED PUBLIC FIRE COSTS

Cost Function	Cost of Service	Number of Units	Unit Cost Per Month
Meters	456,215	8,439 5/8 Equivalents	4.51
Services	258,039	8,513 3/4 Equivalents	2.53
Billing/Collecting	<u>533,786</u>	88,968 Bills	<u>6.00</u>
Subtotal	1,248,041		13.04
Unrecovered Public Fire	<u>445,599</u>	8,439 5/8 Equivalents	4.40
Total	<u><u>1,693,639</u></u>		<u><u>17.44</u></u>

WAR-30

Schedule F-WAR

SMALL WATER DISTRICTS

MISSOURI-AMERICAN WATER COMPANY
ANNA MEADOWS WATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates District Specific Pricing		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Rate A	\$ 50,874	100.0%	\$ 42,770	100.0%	\$ 44,008	100.0%	\$ 1,238	2.9%
Total Sales	50,874	<u>100.0%</u>	42,770	<u>100.0%</u>	44,008	<u>100.0%</u>	1,238	2.9%
Other Revenues							-	
Total	<u>\$ 50,874</u>		<u>\$ 42,770</u>		<u>\$ 44,008</u>		<u>\$ 1,238</u>	2.9%

MISSOURI-AMERICAN WATER COMPANY
 MAPLEWOOD/RIVERSIDE/STONEBRIDGE/SADDLEBROOKE/EMERALD POINTE WATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
 FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates District Specific Pricing		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Rate A, Rate F	\$ 772,347	100.0%	\$ 749,680	100.0%	\$ 979,731	100.0%	\$ 230,051	30.7%
Total Sales	772,347	<u>100.0%</u>	749,680	<u>100.0%</u>	979,731	<u>100.0%</u>	230,051	30.7%
Other Revenues	11,782		11,782		11,782		-	0.0%
Total	<u>\$ 784,129</u>		<u>\$ 761,462</u>		<u>\$ 991,513</u>		<u>\$ 230,051</u>	30.2%

SMD-2

MISSOURI-AMERICAN WATER COMPANY
OZARK MOUNTAIN/ LAKE TANNEYCOMO

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates District Specific Pricing		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Rate A	\$ 248,370	100.0%	\$ 266,281	100.0%	\$ 246,260	100.0%	\$ (20,021)	-7.5%
Total Sales	248,370	<u>100.0%</u>	266,281	<u>100.0%</u>	246,260	<u>100.0%</u>	(20,021)	-7.5%
Other Revenues	1,786		1,786		1,786		-	0.0%
Total	<u>\$ 250,156</u>		<u>\$ 268,067</u>		<u>\$ 248,046</u>		<u>\$ (20,021)</u>	-7.5%

MISSOURI-AMERICAN WATER COMPANY
RANKIN ACRES/WHITE BRANCH

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates District Specific Pricing		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Rate A	\$ 92,954	100.0%	\$ 149,223	100.0%	\$ 143,663	100.0%	\$ (5,560)	-3.7%
Total Sales	92,954	<u>100.0%</u>	149,223	<u>100.0%</u>	143,663	<u>100.0%</u>	(5,560)	-3.7%
Other Revenues	695		695		695		-	0.0%
Total	<u>\$ 93,649</u>		<u>\$ 149,918</u>		<u>\$ 144,358</u>		<u>\$ (5,560)</u>	-3.7%

MISSOURI-AMERICAN WATER COMPANY
 SPRING VALLEY/ LAKEWOOD MANOR

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
 FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates District Specific Pricing		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Rate A	\$ 88,241	100.0%	\$ 87,146	100.0%	\$ 70,842	100.0%	\$ (16,304)	-18.7%
Total Sales	88,241	<u>100.0%</u>	87,146	<u>100.0%</u>	70,842	<u>100.0%</u>	(16,304)	-18.7%
Other Revenues	939		939		939		-	0.0%
Total	<u>\$ 89,180</u>		<u>\$ 88,085</u>		<u>\$ 71,781</u>		<u>\$ (16,304)</u>	-18.5%

MISSOURI-AMERICAN WATER COMPANY
TRI STATES

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification <u>(1)</u>	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates District Specific Pricing		Proposed Increase	
	Amount (Schedule B) <u>(2)</u>	Percent <u>(3)</u>	Amount <u>(4)</u>	Percent <u>(5)</u>	Amount <u>(6)</u>	Percent <u>(7)</u>	Amount <u>(8)</u>	Percent Increase <u>(9)</u>
	Rate A	\$ 1,351,806	100.0%	\$ 1,027,298	100.0%	\$ 1,817,906	100.0%	\$ 790,608
Total Sales	1,351,806	<u>100.0%</u>	1,027,298	<u>100.0%</u>	1,817,906	<u>100.0%</u>	790,608	77.0%
Other Revenues	70,460		70,460		70,460		-	0.0%
Total	<u>\$ 1,422,266</u>		<u>\$ 1,097,758</u>		<u>\$ 1,888,366</u>		<u>\$ 790,608</u>	72.0%

MISSOURI-AMERICAN WATER COMPANY

St. Louis, Missouri

WASTEWATER OPERATIONS

COMPARISON OF COST OF SERVICE WITH REVENUES
UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Harrisburg, Pennsylvania

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MISSOURI-AMERICAN WATER COMPANY
ALL WASTEWATER DISTRICTS

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 9,001,560	100.0%	\$ 7,250,295	100.0%	\$ 9,000,348	100.0%	\$1,750,054	24.1%
Total Sales	9,001,560	<u>100.0%</u>	7,250,295	<u>100.0%</u>	9,000,348	<u>100.0%</u>	1,750,054	24.1%
Other Revenues	73,921		73,921		73,921		-	
Total	<u>\$ 9,075,481</u>		<u>\$ 7,324,216</u>		<u>\$ 9,074,269</u>		<u>\$1,750,054</u>	23.9%

MISSOURI-AMERICAN WATER COMPANY
CEDAR HILL OPERATIONS WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential/Commercial	\$ 854,214	100.0%	\$ 749,635	100.0%	\$ 778,979	100.0%	\$ 29,344	3.9%
Total Sales	854,214	<u>100.0%</u>	749,635	<u>100.0%</u>	778,979	<u>100.0%</u>	29,344	3.9%
Water Subsidy Other Revenues	<u>173</u>		<u>\$173</u>		<u>\$173</u>		-	0.0%
Total	<u>\$ 854,387</u>		<u>\$ 749,808</u>		<u>\$ 779,152</u>		<u>\$ 29,344</u>	3.9%

MISSOURI-AMERICAN WATER COMPANY
WARREN COUNTY/ANNA MEADOWS WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential/Commercial	\$ 723,523	100.0%	\$ 355,669	100.0%	\$ 408,127	100.0%	\$ 52,458	14.7%
Total Sales	723,523	<u>100.0%</u>	355,669	<u>100.0%</u>	408,127	<u>100.0%</u>	52,458	14.7%
Water Subsidy Other Revenues	23		23		23		-	0.0%
Total	<u>\$ 723,546</u>		<u>\$ 355,692</u>		<u>\$ 408,150</u>		<u>\$ 52,458</u>	14.7%

MISSOURI-AMERICAN WATER COMPANY
PLATTE COUNTY WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 87,007	100.0%	\$ 78,674	100.0%	\$ 83,817	100.0%	\$ 5,143	6.5%
Total Sales	87,007	<u>100.0%</u>	78,674	<u>100.0%</u>	83,817	<u>100.0%</u>	5,143	6.5%
Other Revenues	5		\$5		5		-	0.0%
Total	<u>\$ 87,012</u>		<u>\$ 78,679</u>		<u>\$ 83,822</u>		<u>\$ 5,143</u>	6.5%

MISSOURI-AMERICAN WATER COMPANY
OZARK MEADOW WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B)	Percent	Amount	Percent	Amount	Percent	Amount	Percent Increase
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential	\$ 31,024	100.0%	\$ 17,898	100.0%	\$ 19,082	100.0%	\$ 1,184	6.6%
Total Sales	31,024	<u>100.0%</u>	17,898	<u>100.0%</u>	19,082	<u>100.0%</u>	1,184	6.6%
Other Revenues	21		21		21		-	
Total	<u>\$ 31,045</u>		<u>\$ 17,919</u>		<u>\$ 19,103</u>		<u>\$ 1,184</u>	6.6%

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY SEWER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential/Commercial	\$ 1,369,127	100.0%	\$ 1,169,031	100.0%	\$ 1,260,564	100.0%	\$ 91,533	7.8%
Total Sales	1,369,127	<u>100.0%</u>	1,169,031	<u>100.0%</u>	1,260,564	<u>100.0%</u>	91,533	7.8%
Other Revenues	964		964		964		-	0.0%
Total	<u>\$ 1,370,091</u>		<u>\$ 1,169,995</u>		<u>\$ 1,261,528</u>		<u>\$ 91,533</u>	7.8%

MISSOURI-AMERICAN WATER COMPANY
MAPLEWOOD WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential/Commercial	\$ 199,933	100.0%	\$ 187,711	100.0%	\$ 352,480	100.0%	\$ 164,769	87.8%
Total Sales	199,933	<u>100.0%</u>	187,711	<u>100.0%</u>	352,480	<u>100.0%</u>	164,769	87.8%
Water Subsidy								
Other Revenues	21		21		21		-	0.0%
Total	<u>\$ 199,954</u>		<u>\$ 187,732</u>		<u>\$ 352,501</u>		<u>\$ 164,769</u>	87.8%

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MISSOURI-AMERICAN WATER COMPANY
MERAMEC WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential/Commercial	\$ 374,934	100.0%	\$ 279,121	100.0%	\$ 780,071	100.0%	\$ 500,950	179.5%
Total Sales	374,934	<u>100.0%</u>	279,121	<u>100.0%</u>	780,071	<u>100.0%</u>	500,950	179.5%
Water Subsidy Other Revenues	32		\$32		\$32		-	0.0%
Total	<u>\$ 374,966</u>		<u>\$ 279,153</u>		<u>\$ 780,103</u>		<u>\$ 500,950</u>	179.5%

MISSOURI-AMERICAN WATER COMPANY
STONEBRIDGE/SADDLEBROOKE/EMERALD POINTE WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential/Commercial	\$ 924,977	100.0%	\$ 873,134	100.0%	\$ 880,240	100.0%	\$ 7,106	0.8%
Total Sales	924,977	<u>100.0%</u>	873,134	<u>100.0%</u>	880,240	<u>100.0%</u>	7,106	0.8%
Water Subsidy Other Revenues	<u>2,682</u>		<u>2,682</u>		<u>2,682</u>		<u>-</u>	0.0%
Total	<u>\$ 927,659</u>		<u>\$ 875,816</u>		<u>\$ 882,922</u>		<u>\$ 7,106</u>	0.8%

MISSOURI-AMERICAN WATER COMPANY
ARNOLD WASTEWATER

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED DECEMBER 31, 2014

Customer Classification	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
	(Schedule B)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Residential/Commercial	\$ 4,436,821	100.0%	\$ 3,539,422	100.0%	\$ 4,436,988	100.0%	\$ 897,566	25.4%
Total Sales	4,436,821	<u>100.0%</u>	3,539,422	<u>100.0%</u>	4,436,988	<u>100.0%</u>	897,566	25.4%
Water Subsidy								
Other Revenues	<u>70,000</u>		<u>\$70,000</u>		<u>\$70,000</u>		<u>-</u>	0.0%
Total	<u>\$ 4,506,821</u>		<u>\$ 3,609,422</u>		<u>\$ 4,506,988</u>		<u>\$ 897,566</u>	24.9%