

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 JUNE 30, 2009

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)
Residential	\$ 2,219,997	51.5%	\$ 1,687,797	49.2%	\$ 2,204,102	51.1%	\$ 516,305	30.6%
Commercial	591,611	13.7%	457,837	13.4%	588,813	13.6%	130,976	28.6%
Industrial	628,038	14.5%	530,045	15.5%	627,534	14.5%	97,489	18.4%
Public Authority	303,541	7.0%	235,015	6.9%	301,180	7.0%	66,165	28.2%
Sales for Resale	462,918	10.7%	377,171	11.0%	460,597	10.7%	83,426	22.1%
Private Fire Service	111,933	2.6%	135,742	4.0%	135,742	3.1%	-	0.0%
Public Fire Service	-	0.0%	\$0	0.0%	-	0.0%	-	0.0%
Total Sales	4,318,038	100.0%	3,423,607	100.0%	4,317,968	100.0%	894,361	26.1%
Other Revenues	59,484		50,839		59,484		8,645	17.0%
Total	\$ 4,377,522		\$ 3,474,446		\$ 4,377,452		\$ 903,006	26.0%

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	-	-	-	-	-	-	-
Labor & Exp Oper SS- Labor	2	81,724	32,976	12,463	16,378	7,012	12,512	106	278
Labor & Exp Oper SS	2	1,703	687	260	341	146	261	2	6
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		83,427	33,663	12,723	16,719	7,158	12,773	108	284
Misc Exp Oper SS	2	138,608	55,928	21,138	27,777	11,893	21,221	180	471
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS - Labor	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS - Labor	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS - Labor	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infit Gall & Tunnels Maint SS - Labor	2	0	0	0	0	0	0	0	0
Infit Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS - Labor	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS - Labor	2	8	3	1	2	1	1	0	0
Misc Plant Maint SS	2	4,890	1,973	746	980	420	749	6	17
TOTAL SS EXPENSE - MAINTENANCE		143,506	57,905	21,885	28,759	12,313	21,971	187	488
TOTAL SS EXPENSE		226,933	91,568	34,607	45,477	19,471	34,743	295	772
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	1,098	408	166	244	93	180	2	5
Labor & Exp Oper Pwr Prod- Labor	6	(1,213)	(489)	(185)	(243)	(104)	(186)	(2)	(4)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	68,964	25,627	10,414	15,351	5,841	11,276	124	331
Labor & Exp Oper Pump - Labor	6	(112)	(45)	(17)	(22)	(10)	(17)	(0)	(0)
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	310	125	47	62	27	47	0	1
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		69,047	25,626	10,425	15,392	5,847	11,300	125	333

MISSOURI-AMERICAN WATER COMPANY
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COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P - Labor	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P - Labor	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P - Labor	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	47	19	7	9	4	7	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		47	19	7	9	4	7	0	0
TOTAL PUMPING EXPENSES		69,094	25,644	10,432	15,402	5,851	11,307	125	333
WATER TREATMENT									
Super & Eng Oper WT	2	(62)	(25)	(9)	(12)	(5)	(10)	(0)	(0)
Chemicals	1	65,225	24,238	9,849	14,519	5,525	10,664	117	313
Labor & Exp Oper WT - Labor	2	1,889	762	288	379	162	289	2	6
Labor & Exp Oper WT	2	6,330	2,554	965	1,269	543	969	8	22
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0
Misc Exp Oper WT	1	50,500	18,766	7,626	11,241	4,277	8,257	91	242
Misc Exp Oper WT	2	1,289	520	197	258	111	197	2	4
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		125,171	46,815	18,915	27,653	10,612	20,367	221	588
Super & Eng Maint WT	2	6	2	1	1	0	1	0	0
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 - Labor	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	13,524	5,457	2,062	2,710	1,160	2,071	18	46
TOTAL WT EXPENSE - MAINTENANCE		13,530	5,459	2,063	2,711	1,161	2,071	18	46
TOTAL WT EXPENSE		138,700	52,274	20,978	30,365	11,773	22,439	238	634
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	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	7	97,909	30,087	10,927	12,806	6,129	10,339	7,020	20,600
TD Lines Exp	7	526	162	59	69	33	56	38	111
Meter Expense - Labor	9	0	0	0	0	0	0	0	0
Meter Expense	9	0	0	0	0	0	0	0	0
Customer Install Exp - Labor	10	1	1	0	0	0	0	0	0
Customer Install Exp	10	617	488	58	6	17	2	46	0
Misc Exp Oper TD - Labor	11	15	5	2	2	1	2	1	3
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0

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COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Misc Exp Oper TD	11	2,248	698	251	292	140	236	161	470
Rents Oper TD	11	222	69	25	29	14	23	16	46
M&S Maint TD Hydrants	8	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		101,537	31,509	11,320	13,204	6,334	10,657	7,282	21,230
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD - Labor	12	18,323	5,664	2,047	2,391	1,147	1,928	1,308	3,839
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD - Labor	5	0	0	0	0	0	0	0	0
TD Main Maint TD - Labor	7	7,901	2,428	882	1,033	495	834	566	1,662
TD Main Maint TD	7	105	32	12	14	7	11	8	22
Fire Main Maint TD - Labor	8	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD - Labor	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD - Labor	9	36	27	5	2	2	1	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD - Labor	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD - Labor	12	10,408	3,217	1,163	1,358	652	1,095	743	2,180
Mat and Sup Maint TD	12	22,222	6,869	2,482	2,900	1,391	2,338	1,587	4,656
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	2,650	945	338	380	190	313	123	361
TOTAL T & D EXPENSE - MAINTENANCE		61,645	19,182	6,928	8,079	3,883	6,519	4,335	12,720
TOTAL T & D EXPENSE		163,182	50,691	18,248	21,283	10,217	17,177	11,617	33,950
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA - Labor	14	43,930	38,843	3,967	202	865	53	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Cust Rec & Collection CA - Labor	13	19,587	17,041	1,743	88	380	24	311	0
Cust Rec & Collection CA	13	21,230	18,470	1,889	96	412	25	338	0
Uncollectible Accts	13	26,996	23,486	2,403	121	524	32	429	0
Misc Cust Accts Exp CA - Labor	13	54	47	5	0	1	0	1	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	5,523	4,805	492	25	107	7	88	0
Cust Serv & Info Exp CA	13	0	0	0	0	0	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		117,321	102,693	10,499	532	2,289	141	1,167	0

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COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	90,768	43,514	11,437	12,290	5,809	9,503	2,251	5,963
Other Supplies & Exp AG	15	3,029	1,452	382	410	194	317	75	199
Other Supplies & Exp AG	15	32,015	15,348	4,034	4,335	2,049	3,352	794	2,103
Other Supplies & Exp AG	15	13,358	6,404	1,683	1,809	855	1,399	331	878
Mgmt Fees-Admin	15	218,521	104,759	27,534	29,588	13,985	22,879	5,419	14,357
Mgmt Fees-Customer Service	13	72,529	63,101	6,455	326	1,407	87	1,153	0
Mgmt Fees-Belleville Lab	2	9,012	3,636	1,374	1,806	773	1,380	12	31
Mgmt Fees- Employee	16	7,735	3,627	932	972	469	758	257	719
Outside Services AG	15	19,052	9,134	2,401	2,580	1,219	1,995	472	1,252
Outside Services AG	15	69,770	33,448	8,791	9,447	4,465	7,305	1,730	4,584
Ins Gen Liab Oper AG	15	30,713	14,724	3,870	4,159	1,966	3,216	762	2,018
Ins Work Comp AG	16	13,588	6,371	1,637	1,708	825	1,332	451	1,264
Ins Other Oper AG	15	9,495	4,552	1,196	1,286	608	994	235	624
Property Insurance	15	3,937	1,887	496	533	252	412	98	259
Injuries & Damages	16	(164)	(77)	(20)	(21)	(10)	(16)	(5)	(15)
Employee Pension & Benefits	16	103,641	48,597	12,489	13,028	6,291	10,157	3,441	9,639
Employee Pension & Benefits	16	77,315	36,253	9,316	9,718	4,693	7,577	2,567	7,190
Employee Pension & Benefits	16	12,125	5,685	1,461	1,524	736	1,188	403	1,128
Reg Commission Exp	19	6,178	2,879	795	874	411	662	160	397
Rents AG	15	3,799	1,821	479	514	243	398	94	250
Goodwill Advertising Exp	15	3,223	1,545	406	436	206	337	80	212
Misc Exp AG	15	43,402	20,807	5,469	5,877	2,778	4,544	1,076	2,852
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		843,041	429,467	102,617	103,198	50,225	79,776	21,857	55,901
General Plant Maint AG - Labor	15	0	0	0	0	0	0	0	0
Maint Exp ARO/Net Neg Sal AG	18	(4,716)	(2,137)	(611)	(672)	(321)	(506)	(135)	(334)
General Plant Maint AG	15	6,776	3,248	854	917	434	709	168	445
TOTAL A & G EXPENSE - MAINTENANCE		2,060	1,111	243	245	113	203	33	111
TOTAL A & G EXPENSE		845,101	430,579	102,860	103,444	50,338	79,979	21,890	56,012
Total Operation & Maintenance Expenses		1,560,331	753,448	197,624	216,503	99,939	165,785	35,332	91,700

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)		Public Authorities (7)		Sales for Resale (8)		Fire Protection Private (9)		Public (10)	
DEPRECIATION EXPENSE																	
Struct & Imp SS	2	1,870		755	285		375		160		286		2		6		
Struct & Imp P	6	4,722		1,905	720		946		405		723		6		16		
Struct & Imp WT	2	116,432		46,980	17,756		23,333		9,990		17,826		151		396		
Struct & Imp TD	7	1,484		456	166		194		93		157		106		312		
Struct & Imp AG	15	246		118	31		33		16		26		6		16		
Struct & Imp Offices	15	2,789		1,337	351		378		178		292		69		183		
Struct & Imp Store,Shop,Gar	15	1,122		538	141		152		72		117		28		74		
Struct & Imp Misc	15	0		0	0		0		0		0		0		0		
Collect & Impounding	1	2		1	0		0		0		0		0		0		
Lake, River & Other Intakes	2	569		230	87		114		49		87		1		2		
Wells & Springs	2	23,235		9,375	3,543		4,656		1,994		3,557		30		79		
Supply Mains	2	15,281		6,166	2,330		3,062		1,311		2,340		20		52		
Power Generation Equip	6	107		43	16		21		9		16		0		0		
Power Generation Equip Othe	6	0		0	0		0		0		0		0		0		
Pump Equip Electric	6	20,460		8,256	3,120		4,100		1,755		3,132		27		70		
Pump Equip Diesel	6	0		0	0		0		0		0		0		0		
Pump Equip Other	6	738		298	113		148		63		113		1		3		
WT Equip Non-Media	2	102,023		41,166	15,559		20,445		8,754		15,620		133		347		
WT Equip Filter Media	2	1,886		761	288		378		162		289		2		6		
Dist Reservoirs & Standpipe	5	7,680		2,739	980		1,101		551		908		356		1,045		
Elevated Tanks & Standpipes	5	1,446		516	185		207		104		171		67		197		
Ground Level Facilities	5	494		176	63		71		35		58		23		67		
TD Mains Not Classified by	7	28,273		8,688	3,155		3,698		1,770		2,986		2,027		5,349		
TD Mains 4" & Less	4	3,896		1,128	404		453		226		374		333		978		
TD Mains 6 to 8"	4	25,853		7,484	2,678		3,009		1,502		2,479		2,210		6,489		
TD Mains 10 to 16"	3	15,957		6,073	2,298		3,017		1,291		2,306		249		723		
TD Mains 18" & Grtr	3	12		5	2		2		1		2		0		1		
Fire Mains	8	477		0	0		0		0		0		0		477		
Services	10	82,235		65,097	7,705		806		2,229		230		6,168		0		
Meters Bronze Case	9	10,699		7,918	1,361		663		601		155		0		0		
Meters Plastic Case	9	0		0	0		0		0		0		0		0		
Meters Other	9	1,381		1,022	176		86		78		20		0		0		
Meters Other-Rem Rdr Units	9	0		0	0		0		0		0		0		0		
Meter Installations	9	17,302		12,805	2,201		1,073		972		251		0		0		
Meter Installation Other	9	0		0	0		0		0		0		0		0		
Hydrants	8	7,501		0	0		0		0		0		0		0		
Other P/E Intangible	17	154		70	20		22		10		17		4		11		
Other P/E SS	2	81		33	12		16		7		12		0		0		
Other P/E WT Res Hand Equip	2	721		291	110		144		62		110		1		2		
Other P/E TD	7	392		120	44		51		25		41		28		82		
Other P/E CPS	15	440		211	55		60		28		46		11		29		
Office Furniture & Equip	15	357		171	45		48		23		37		9		23		
Comp & Periph Equip	15	13,979		6,702	1,761		1,893		895		1,464		347		918		
Computer Software	15	24,775		11,877	3,122		3,355		1,586		2,594		614		1,628		

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Comp Software Personal	15	319	153	40	43	20	33	8	21
Data Handling Equipment	15	3,441	1,650	434	466	220	360	85	226
Other Office Equipment	15	897	430	113	121	57	94	22	59
Trans Equip Lt Duty Trks	15	977	468	123	132	63	102	24	64
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	1,356	650	171	184	87	142	34	89
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	412	198	52	56	26	43	10	27
Tools Shop Garage Equip	15	6,438	3,086	811	872	412	674	160	423
Tools Shop Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	2,002	808	305	401	172	307	3	7
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	120	58	15	16	8	13	3	8
Comm Equip Non-Telephone	15	1,381	662	174	187	88	145	34	91
Remote Control & Instr	15	313	150	39	42	20	33	8	21
Comm Equip Telephone	15	151	72	19	20	10	16	4	10
Misc Equipment	15	981	470	124	133	63	103	24	64
Total Depreciation Expense		555,859	260,367	73,303	80,788	38,252	60,907	13,449	28,793
Amort-Other UP	18	1,067	484	138	152	73	115	31	76
Amort-Intangible Fin	2	293	118	45	59	25	45	0	1
Amort-Property Losses	2	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	29,057	13,541	3,740	4,109	1,935	3,115	753	1,865
Property Taxes	18	137,570	62,347	17,815	19,604	9,355	14,775	3,935	9,740
FUTA	16	401	188	48	50	24	39	13	37
FICA	16	25,860	12,126	3,116	3,251	1,570	2,534	859	2,405
SUTA	16	1,109	520	134	139	67	109	37	103
Other Taxes & Licenses	15	5,488	2,631	691	743	351	575	136	361
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		199,485	91,352	25,545	27,896	13,303	21,147	5,732	14,511
Income Taxes	18	589,132	266,995	76,293	83,951	40,061	63,273	16,849	41,711
Utility Income Available for Return	18	1,471,354	666,818	190,540	209,668	100,052	158,023	42,081	104,172
Total Cost of Service		4,377,522	2,039,581	563,487	619,017	291,705	469,294	113,474	280,963
Less: Other Water Revenues	19	59,484	27,720	7,656	8,411	3,962	6,377	1,541	3,819
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		59,484	27,720	7,656	8,411	3,962	6,377	1,541	3,819
Total Cost of Service Related to Sales of Water		\$ 4,318,038	\$ 2,011,862	\$ 555,832	\$ 610,606	\$ 287,744	\$ 462,918	\$ 111,933	\$ 277,144
Reallocation of Public Fire	20	0	208,135	35,779	17,432	15,797	0	0	(277,144)
Total		\$ 4,318,038	\$ 2,219,997	\$ 591,611	\$ 628,038	\$ 303,541	\$ 462,918	\$ 111,933	\$ -

**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, Thousand Gallons <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	623	0.3716
Commercial	253	0.1510
Industrial	373	0.2226
Other Public Authority	142	0.0847
Sales for Resale	274	0.1635
Private Fire Protection	3	0.0018
Public Fire Protection	8	0.0048
	<u>1,676</u>	<u>1.0000</u>
Total	<u>1,676</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 0.7143</u>	Allocation Factor <u>(4)</u>	Weighted Factor <u>(5)=(4)x 0.2857</u>	
Residential	0.3716	0.2655	0.4829	0.1380	0.4035
Commercial	0.1510	0.1078	0.1566	0.0447	0.1525
Industrial	0.2226	0.1590	0.1450	0.0414	0.2004
Other Public Authority	0.0847	0.0605	0.0884	0.0253	0.0858
Sales for Resale	0.1635	0.1168	0.1271	0.0363	0.1531
Private Fire Protection	0.0018	0.0013			0.0013
Public Fire Protection	0.0048	0.0034			0.0034
	<u>1.0000</u>	<u>0.7143</u>	<u>1.0000</u>	<u>0.2857</u>	<u>1.0000</u>
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, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	623	1.0	623	0.4829
Commercial	253	0.8	202	0.1566
Industrial	373	0.5	187	0.1450
Other Public Authority	142	0.8	114	0.0884
Sales for Resale	274	0.6	164	0.1271
Total	1,665		1,290	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 2007 (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 (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.6739	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.2696	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0565	
Residential	0.3716	0.2504	0.4829	0.1302			0.3806
Commercial	0.1510	0.1018	0.1566	0.0422			0.1440
Industrial	0.2226	0.1500	0.1450	0.0391			0.1891
Other Public Authority	0.0847	0.0571	0.0884	0.0238			0.0809
Sales for Resale	0.1635	0.1102	0.1271	0.0343			0.1445
Private Fire Protection	0.0018	0.0012			0.2541	0.0144	0.0156
Public Fire Protection	0.0048	0.0032			0.7459	0.0421	0.0453
Total	<u>1.0000</u>	<u>0.6739</u>	<u>1.0000</u>	<u>0.2696</u>	<u>1.0000</u>	<u>0.0565</u>	<u>1.0000</u>

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 2008 of 2.147 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	2,147,000	0.6739
Maximum Day Extra Capacity	<u>0.40</u>	<u>858,800</u>	<u>0.2696</u>
Subtotal	<u><u>1.40</u></u>	3,005,800	0.9435
Fire Protection		<u>180,000</u>	<u>0.0565</u>
Total		<u><u>3,185,800</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		
	Thousand Gallons	Allocation Factor	Weighted Factor	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)	
			0.3327		0.3327		0.3346		
Residential	26.0	0.3731	0.1242	0.4972	0.1653				0.2895
Commercial	10.5	0.1506	0.0501	0.1607	0.0535				0.1036
Industrial	15.5	0.2224	0.0740	0.1273	0.0424				0.1164
Other Public Authority	5.9	0.0846	0.0281	0.0902	0.0300				0.0581
Sales for Resale	11.4	0.1636	0.0544	0.1246	0.0415				0.0959
Private Fire Protection	0.1	0.0014	0.0005			0.2541	0.0850		0.0855
Public Fire Protection	0.3	0.0043	0.0014			0.7459	0.2496		0.2510
Total	69.7	1.0000	0.3327	1.0000	0.3327	1.0000	0.3346		1.0000

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

**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 2008 of 2.147 MGD. The system demand for fire protection is 1,500 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,491	0.3327
Maximum Hour Extra Capacity	1.00	1,491	0.3327
Subtotal	<u>2.00</u>	2,982	0.6654
Fire Protection		1,500	0.3346
Total		<u>4,482</u>	<u>1.0000</u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	26.0	3.5	91.0	0.4972
Commercial	10.5	2.8	29.4	0.1607
Industrial	15.5	1.5	23.3	0.1273
Other Public Authority	5.9	2.8	16.5	0.0902
Sales for Resale	11.4	2.0	22.8	0.1246
Total	<u>69.3</u>		<u>183.0</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 (1)	Average Hourly Consumption		Maximum Hour Extra Capacity		Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4100	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1800	
Residential	26.0	0.3731	0.4972	0.2038			0.3567
Commercial	10.5	0.1506	0.1607	0.0659			0.1276
Industrial	15.5	0.2224	0.1273	0.0522			0.1434
Other Public Authority	5.9	0.0846	0.0902	0.0370			0.0717
Sales for Resale	11.4	0.1636	0.1246	0.0511			0.1182
Private Fire Protection	0.1	0.0014			0.2541	0.0457	0.0463
Public Fire Protection	0.3	0.0043			0.7459	0.1343	0.1361
Total	69.7	1.0000	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
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

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

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

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

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

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

	<u>Maximum Hour Ratio</u>	<u>Percent</u>	<u>Weight</u>
Average Hour	1.00	50.00	0.4100
Extra Capacity Maximum Hour	<u>1.00</u>	<u>50.00</u>	<u>0.4100</u>
Total	<u><u>2.00</u></u>	<u><u>100.00</u></u>	<u><u>0.8200</u></u>

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 1.0000	(4)	(5)=(4)X 0.0000	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.4035	0.4035	0.3806	0.0000	0.2895	0.0000	0.4035
Commercial	0.1525	0.1525	0.1440	0.0000	0.1036	0.0000	0.1525
Industrial	0.2004	0.2004	0.1891	0.0000	0.1164	0.0000	0.2004
Other Public Authority	0.0858	0.0858	0.0809	0.0000	0.0581	0.0000	0.0858
Sales for Resale	0.1531	0.1531	0.1445	0.0000	0.0959	0.0000	0.1531
Private Fire Protection	0.0013	0.0013	0.0156	0.0000	0.0855	0.0000	0.0013
Public Fire Protection	0.0034	0.0034	0.0453	0.0000	0.2510	0.0000	0.0034
Total	1.0000	1.0000	1.0000	0.0000	1.0000	0.0000	1.0000

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	1,415	1.0000
Associated with Maximum Day and Fire	0	0.0000
Associated with Maximum Hour	0	0.0000
Total	1,415	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 TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X	(4)	(5)=(4)X	(6)=(3)+(5)
		0.1976		0.8024	
Residential	0.3806	0.0750	0.2895	0.2323	0.3073
Commercial	0.1440	0.0285	0.1036	0.0831	0.1116
Industrial	0.1891	0.0374	0.1164	0.0934	0.1308
Other Public Authority	0.0809	0.0160	0.0581	0.0466	0.0626
Sales for Resale	0.1445	0.0286	0.0959	0.0770	0.1056
Private Fire Protection	0.0156	0.0031	0.0855	0.0686	0.0717
Public Fire Protection	0.0453	0.0090	0.2510	0.2014	0.2104
Total	<u>1.0000</u>	<u>0.1976</u>	<u>1.0000</u>	<u>0.8024</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	93,887	0.1976
Distribution Mains	381,203	0.8024
Total	<u>475,090</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	4,283	0.7401
Commercial	736	0.1272
Industrial	359	0.0620
Other Public Authority	325	0.0562
Sales for Resale	84	0.0145
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>5,787</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)
5/8	1.0	4,235	4,235	300	300	2	2	30	30	0	0	4,567	4,567
3/4	1.3	3	4	4	5	0	0	2	3	0	0	9	12
1	1.7	18	31	79	134	4	7	20	34	0	0	121	206
1-1/2	3.5	0	0	0	0	0	0	1	4	0	0	1	4
2	4.3	3	13	49	211	5	22	37	159	4	17	98	422
3	19.0	0	0	2	38	5	95	5	95	1	19	13	247
4	29.3	0	0	0	0	3	88	0	0	0	0	3	88
6	48.4	0	0	1	48	3	145	0	0	1	48	5	241
8	112.9	0	0	0	0	0	0	0	0	0	0	0	0
Total		4,259	4,283	435	736	22	359	95	325	6	84	4,817	5,787

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

<u>Customer Classification</u> (1)	<u>3/4" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	4,265	0.7916
Commercial	505	0.0937
Industrial	53	0.0098
Other Public Authority	146	0.0271
Sales for Resale	15	0.0028
Private Fire Protection	<u>404</u>	<u>0.0750</u>
Total	<u><u>5,388</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)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(13)	Number of Services (15)	Weighting (16)
3/4	1.00	4,238	4,238	304	304	2	2	32	32	0	0	0	0	4,576	4,576
1	1.17	18	21	79	92	4	5	20	23	0	0	0	0	121	141
1-1/2	1.58	0	0	0	0	0	0	1	2	0	0	0	0	1	2
2	2.04	3	6	49	100	5	10	37	75	4	8	2	4	100	203
3	2.73	0	0	2	5	5	14	5	14	1	3	1	3	14	39
4	2.88	0	0	0	0	3	9	0	0	0	0	11	32	14	41
6	4.24	0	0	1	4	3	13	0	0	1	4	26	110	31	131
8	6.98	0	0	0	0	0	0	0	0	0	0	16	112	16	112
10	9.50	0	0	0	0	0	0	0	0	0	0	15	143	15	143
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		4,259	4,265	435	505	22	53	95	146	6	15	71	404	4,888	5,388

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 11. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 30,738	0.3103
Commercial	11,043	0.1115
Industrial	12,881	0.1300
Other Public Authority	6,179	0.0624
Sales for Resale	10,396	0.1050
Private Fire Protection	7,104	0.0717
Public Fire Protection	20,711	0.2091
Total	<u>99,053</u>	<u>1.0000</u>

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 2,487	0.3091
Commercial	898	0.1117
Industrial	1,049	0.1305
Other Public Authority	503	0.0626
Sales for Resale	846	0.1052
Private Fire Protection	574	0.0714
Public Fire Protection	1,684	0.2095
Total	<u>\$8,042</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	4,259	0.8700
Commercial	435	0.0890
Industrial	22	0.0045
Other Public Authority	95	0.0194
Sales for Resale	6	0.0012
Private Fire Protection	78	0.0159
Public Fire Protection	0	0.0000
	<u>4,895</u>	<u>1.0000</u>
Total	<u>4,895</u>	<u>1.0000</u>

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	4,259	0.8842
Commercial	435	0.0903
Industrial	22	0.0046
Other Public Authority	95	0.0197
Sales for Resale	6	0.0012
	<u>4,817</u>	<u>1.0000</u>
Total	<u>4,817</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 15. 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	\$253,831	0.4794
Commercial	66,710	0.1260
Industrial	71,703	0.1354
Other Public Authority	33,865	0.0640
Sales for Resale	55,430	0.1047
Private Fire Protection	13,108	0.0248
Public Fire Protection	34,796	0.0657
Total	<u>\$529,443</u>	<u>1.0000</u>

FACTOR 15A. 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	\$753,448	0.4827
Commercial	197,624	0.1267
Industrial	216,503	0.1388
Other Public Authority	99,939	0.0641
Sales for Resale	165,785	0.1063
Private Fire Protection	35,332	0.0226
Public Fire Protection	91,700	0.0588
Total	<u>\$1,560,331</u>	<u>1.0000</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.

<u>Customer Classification</u> (1)	<u>Original Cost Measure of Value</u> (2)	<u>Allocation Factor</u> (3)
Residential	\$7,484,671	0.4532
Commercial	2,138,057	0.1295
Industrial	2,352,917	0.1425
Other Public Authority	1,122,331	0.0680
Sales for Resale	1,773,450	0.1074
Private Fire Protection	473,038	0.0286
Public Fire Protection	<u>1,169,050</u>	<u>0.0708</u>
Total	<u><u>\$16,513,514</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	\$2,023,162	0.4660
Commercial	558,953	0.1287
Industrial	614,035	0.1414
Other Public Authority	289,358	0.0666
Sales for Resale	465,517	0.1072
Private Fire Protection	112,561	0.0259
Public Fire Protection	<u>278,701</u>	<u>0.0642</u>
Total	<u><u>\$4,342,287</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)		Public Authorities (7)		Sales for Resale (8)		Fire Protection (9)		Public (10)
			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
RATE BASE																
Organization	17	\$ 2,077	\$ 941	\$ 269	\$ 296	\$ 141	\$ 223	\$ 60	\$ 147							
Franchises	17	0	0	0	0	0	0	0	0							
Land & Ld Rights SS	2	25,516	10,296	3,891	5,113	2,189	3,906	33	87							
Land & Ld Rights P	6	58,808	23,729	8,968	11,785	5,046	9,003	76	200							
Land & Ld Rights WT	2	13,920	5,617	2,123	2,790	1,194	2,131	18	47							
Land & Ld Rights TD	7	13,167	4,046	1,469	1,722	824	1,390	944	2,770							
Land & Land Rights AG	15	2,057	986	259	279	132	215	51	135							
Struct & Imp SS	2	43,627	17,603	6,653	8,743	3,743	6,679	57	148							
Struct & Imp P	6	45,278	18,270	6,905	9,074	3,885	6,932	59	154							
Struct & Imp Pump Boosters	2	0	0	0	0	0	0	0	0							
Struct & Imp WT	2	2,865,635	1,156,284	437,009	574,273	245,871	438,729	3,725	9,743							
Struct & Imp TD	7	55,744	17,130	6,221	7,291	3,490	5,887	3,997	11,729							
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0							
Struct & Imp AG	7	10,414	3,200	1,162	1,362	652	1,100	747	2,191							
Struct & Imp Offices	15	80,577	38,629	10,153	10,910	5,157	8,436	1,998	5,294							
Gen Structures HVAC	15	5	2	1	1	0	0	0	0							
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0							
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0							
Struct & Imp Store, Shop, Gar	15	20,227	9,697	2,549	2,739	1,295	2,118	502	1,329							
Struct & Imp Misc	15	0	0	0	0	0	0	0	0							
Collect & Impounding	1	36	14	5	8	3	6	0	0							
Lake, River & Other Intakes	2	10,257	4,139	1,564	2,056	880	1,570	13	35							
Wells & Springs	2	696,843	281,176	106,269	139,647	59,789	106,687	906	2,369							
Supply Mains	2	685,266	276,505	104,503	137,327	58,796	104,914	891	2,330							
Power Generation Equip	6	4,845	1,955	739	971	416	742	6	16							
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0							
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0							
Pump Equip Steam	6	0	0	0	0	0	0	0	0							
Pump Equip Electric	6	1,093,861	441,373	166,814	219,210	93,853	167,470	1,422	3,719							
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0							
Pump Equip Diesel	6	0	0	0	0	0	0	0	0							
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0							
Pump Equip Other	6	30,136	12,160	4,596	6,039	2,586	4,614	39	102							
Pump Equip WT	6	0	0	0	0	0	0	0	0							
Pump Equip TD	6	0	0	0	0	0	0	0	0							
WT Equip Non-Media	2	3,152,691	1,272,111	480,785	631,799	270,501	482,677	4,098	10,719							
WT Equip Filter Media	2	63,559	25,646	9,693	12,737	5,453	9,731	83	216							
Dist Reservoirs & Standpipe	5	175,241	62,508	22,361	25,130	12,565	20,713	8,114	23,850							
Elevated Tanks & Standpipes	5	51,246	18,279	6,539	7,349	3,674	6,057	2,373	6,975							
Ground Level Facilities	5	17,569	6,267	2,242	2,519	1,260	2,077	813	2,391							
TD Mains Not Classified by	7	1,649,725	506,960	184,109	215,784	103,273	174,211	118,285	347,102							
TD Mains 4" & Less	4	256,125	74,148	26,535	29,813	14,881	24,562	21,899	64,287							
TD Mains 6 to 8"	4	1,527,180	442,119	156,216	177,764	88,729	146,457	130,574	383,322							
TD Mains 10 to 16"	3	905,066	344,468	130,330	171,148	73,220	130,782	14,119	40,999							
TD Mains 18" & Grtr	3	722	275	104	137	58	104	11	33							
Fire Mains	8	21,016	0	0	0	0	0	0	0							
Services	10	2,555,155	2,022,661	239,418	25,041	69,245	7,154	191,637	0							
Meters Bronze Case	9	478,696	354,283	60,890	29,679	26,903	6,941	0	0							

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Public (10)
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	2,397	1,774	305	149	135	35	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	724,510	536,210	92,158	44,920	40,717	10,505	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Meter Vaults	9	0	0	0	0	0	0	0	0
Hydrants	8	308,289	0	0	0	0	0	0	308,289
Other P/E Intangible	17	10,167	4,605	1,317	1,450	691	1,092	292	720
Other P/E SS	2	1,574	635	240	315	135	241	2	5
Other P/E WT Res Hand Equip	2	21,375	8,625	3,260	4,284	1,834	3,273	28	73
Other P/E TD	7	7,029	2,160	784	919	440	742	504	1,479
Other P/E CPS	15	12,325	5,909	1,553	1,669	789	1,290	306	810
Office Furniture & Equip	15	13,666	6,552	1,722	1,850	875	1,431	339	898
Comp & Periph Equip	15	38,118	18,274	4,803	5,161	2,440	3,991	945	2,504
Computer Software	15	20,878	10,009	2,631	2,827	1,336	2,186	518	1,372
Comp Software Personal	15	458	220	58	62	29	48	11	30
Comp Software Other	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	25,726	12,333	3,241	3,483	1,646	2,693	638	1,690
Other Office Equipment	15	7,569	3,638	956	1,028	486	795	188	499
Trans Equip Lt Duty Trks	15	(382)	(183)	(48)	(52)	(24)	(40)	(9)	(25)
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	(1,801)	(863)	(227)	(244)	(115)	(189)	(45)	(118)
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	1,459	700	184	198	93	153	36	96
Tools,Shop,Garage Equip	15	84,430	40,476	10,638	11,432	5,404	8,840	2,094	5,547
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	19,852	8,010	3,027	3,978	1,703	3,039	26	67
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	(4,688)	(2,247)	(591)	(635)	(300)	(491)	(116)	(308)
Comm Equip Non-Telephone	15	26,399	12,655	3,326	3,574	1,690	2,764	655	1,734
Remote Control & Instr	15	4,416	2,117	556	598	283	462	110	290
Comm Equip Telephone	15	(14,078)	(6,749)	(1,774)	(1,906)	(901)	(1,474)	(349)	(925)
Misc Equipment	15	7,639	3,662	962	1,034	489	800	189	502
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		17,929,635	8,121,997	2,322,425	2,556,630	1,219,577	1,926,408	513,911	1,268,687

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15A	65,000	31,376	8,236	9,022	4,167	6,910	1,469	3,822
Materials and Supplies	15	26,839	12,867	3,382	3,634	1,718	2,810	666	1,763
Prepayments	15	14,449	6,927	1,821	1,956	925	1,513	358	949
OPEB's Contributed to External Fund	16	113,178	53,069	13,638	14,226	6,870	11,091	3,758	10,526
Pension / OPEB Tracker	16	17,108	8,022	2,062	2,150	1,038	1,677	568	1,591
Regulatory Deferrals	17	22,878	10,364	2,963	3,262	1,556	2,457	657	1,620
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,618,015)	(732,961)	(209,533)	(230,729)	(110,025)	(173,775)	(46,437)	(114,555)
Pensions	16	(57,558)	(26,989)	(6,936)	(7,235)	(3,494)	(5,641)	(1,911)	(5,353)
Total Other Rate Base Elements		(1,416,121)	(637,326)	(184,369)	(203,712)	(97,246)	(152,958)	(40,873)	(99,637)
Total Original Cost Measure of Value		\$ 16,513,514	\$ 7,484,671	\$ 2,138,057	\$ 2,352,917	\$ 1,122,331	\$ 1,773,450	\$ 473,038	\$ 1,169,050

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	4,283	0.7510
Commercial	736	0.1291
Industrial	359	0.0629
Other Public Authority	325	0.0570
Sales for Resale	0	0.0000
Private Fire	0	0.0000
 Total	 <u>5,703</u>	 <u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2008

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	7/15/1990
1991	2.008	2.738	1.36	3/29/1991
1992	2.044	3.182	1.56	7/2/1992
1993	1.989	2.553	1.28	8/20/1993
1994	1.964	2.525	1.29	8/22/1994
1995	2.282	2.917	1.28	8/28/1995
1996	2.186	3.047	1.39	7/18/1996
1997	2.223	2.886	1.30	7/17/1997
1998	2.240	2.868	1.28	5/19/1998
1999	2.223	3.010	1.35	7/28/1999
2000	2.199	2.770	1.26	8/17/2000
2001	2.322	2.955	1.27	8/1/2001
2002	2.245	2.953	1.32	8/5/2002
2003	2.254	2.937	1.30	8/28/2003
2004	2.116	2.745	1.30	8/18/2004
2005	2.105	2.912	1.38	11/7/2005
2006	1.783	2.786	1.56	6/19/2006
2007	2.252	2.889	1.28	8/6/2007
2008	2.147	2.821	1.31	5/19/2009

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	2	8	
3 -inch	9.00	0	0	
4 -inch	16.00	11	176	
6 -inch	36.00	26	936	
8 -inch	64.00	16	1,024	
10 -inch	100.00	15	1,500	
12 -inch	144.00	1	144	
Private Hydrants	20.25	7	142	
Total Private Fire Protection		<u>78</u>	<u>3,930</u>	0.2541
<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	80	2,120
4 1/2" Valve	2- 2-1/2" & 1- 4 1/2"	20.25	465	9,416
Total Public Fire Protection		<u>545</u>	<u>11,536</u>	<u>0.7459</u>
Total Fire Protection		<u><u>623</u></u>	<u><u>15,466</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

CALCULATION OF CUSTOMER CHARGE

(1) Cost Related to Meters	452,417		
(2) Meter Equivalents X 12	69,444		
(3) Cost per Bill - Meter related		\$	6.51
(4) Cost Related to Services	361,760		
(5) Service Equivalents X 12	64,656		
(6) Cost per Bill - Services related		\$	5.60
(7) Cost Related to Billing and Collecting	388,216		
(8) Number of Customers X 12	58,740		
(9) Cost per Bill - Billing and Collecting		\$	<u>6.61</u>
(10) Total Customer Charge (3)+(6)+(9)		\$	18.72

PARKVILLE WATER DISTRICT

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED JUNE 30, 2009

Customer Classification (1)	Cost of Service (a)		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 4,410,143	73.3%	\$ 3,374,544	70.9%	\$ 4,304,984	71.7%	\$ 930,440	27.6%
Commercial	1,103,179	18.4%	953,674	20.0%	1,198,314	19.9%	244,640	25.7%
Industrial	17,438	0.3%	18,647	0.4%	23,579	0.4%	4,932	26.4%
Public Authority	65,051	1.1%	55,866	1.2%	71,460	1.2%	15,594	27.9%
Sales for Resale	297,852	5.0%	215,573	4.5%	267,047	4.4%	51,474	23.9%
Private Fire Service	113,575	1.9%	141,836	3.0%	141,836	2.4%	-	0.0%
Public Fire Service	-	0.0%	\$0	0.0%	-	0.0%	-	0.0%
Total Sales	6,007,239	100.0%	4,760,139	100.0%	6,007,220	100.0%	1,247,080	26.2%
Other Revenues	40,193		32,943		40,193		7,250	22.0%
Total	\$ 6,047,432		\$ 4,793,082		\$ 6,047,413		\$ 1,254,330	26.2%

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

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)	Public Authorities (7)	Sales for Resale (8)		Fire Protection Public (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	0	0	0	0
Labor & Exp Oper SS - Labor	2	809	598	2	151	49	7	1,266	10,164	116	465	1	1	
Purchased Water	1	116,163	76,133	511	27,507	10,164	1,266	10,164	116	465	1	1	1	
TOTAL SS EXPENSE - OPERATION		116,972	76,731	514	27,658	10,213	1,273	10,213	116	466	1	1	1	
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Misc Exp Oper SS	2	104	77	19	19	6	1	6	166	1	4	0	0	
Rents Oper SS	2	2,743	2,028	8	512	24	24	166	0	0	0	0	0	
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Struct & Improve Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Collect & Impound Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Lake, River & Oth Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Wells & Springs Maint SS - Labor	2	1,183	875	4	221	10	10	71	0	0	0	0	0	
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Infrt Gall & Tunnels Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	
Infrt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	
Supply Mains Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	
Supply Mains Maint SS	2	1,792	1,325	5	334	16	16	108	1	3	3	0	0	
Misc Plant Maint SS - Labor	2	3,367	2,489	10	628	29	29	203	1	5	5	0	0	
Misc Plant Maint SS	2	9,189	6,794	28	1,715	80	80	555	4	15	15	0	0	
TOTAL SS EXPENSE - MAINTENANCE		125,161	83,525	541	29,373	10,768	1,353	10,768	120	481	0	0	0	
POWER AND PUMPING EXPENSES														
Super & Eng Oper P - Labor	6	0	0	0	0	0	0	0	0	0	0	0	0	
Fuel for Power Prod	1	0	0	0	0	0	0	0	0	0	0	0	0	
Labor & Exp Oper Pwr Prod - Labor	6	(1,021)	(724)	(3)	(183)	(9)	(9)	(59)	(9)	(34)	0	0	0	
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0	0	0	0	0	
Purch Fuel/Power for Pump	1	86,424	56,642	380	20,465	942	942	7,562	86	346	0	0	0	
Labor & Exp Oper Pump - Labor	6	75,586	53,621	212	13,530	635	635	4,392	703	2,494	0	0	0	
Labor & Exp Oper Pump	6	5	4	1	1	0	0	0	0	0	0	0	0	
Misc Exp Oper P	6	0	0	0	0	0	0	0	0	0	0	0	0	
Rents Oper P	6	160,994	109,542	589	33,813	1,568	1,568	11,895	780	2,806	0	0	0	
TOTAL PUMPING EXPENSE - OPERATION		160,994	109,542	589	33,813	11,895	1,568	11,895	780	2,806	0	0	0	

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)	
Super & Eng Maint P	6	0	0	0	0	0	0	0	0	
Struct & Improve Maint P - Labor	6	0	0	0	0	0	0	0	0	
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0	
Power Prod Equip Maint P - Labor	6	0	0	0	0	0	0	0	0	
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0	
Pump Equip Maint P - Labor	6	7,434	5,274	1,331	21	62	432	69	245	
Pump Equip Maint P	6	0	0	0	0	0	0	0	0	
TOTAL PUMPING EXPENSES - MAINTENANCE		7,434	5,274	1,331	21	62	432	69	245	
TOTAL PUMPING EXPENSES		168,428	114,816	35,144	610	1,631	12,327	849	3,052	
WATER TREATMENT										
Super & Eng Oper WT	2	(61)	(45)	(11)	(0)	(1)	(4)	(0)	(0)	
Chemicals	1	119,366	78,232	28,266	525	1,301	10,445	119	477	
Labor & Exp Oper WT - Labor	2	0	0	0	0	0	0	0	0	
Labor & Exp Oper WT	2	10,581	7,823	1,974	32	92	639	4	17	
Misc Exp Oper WT	2	65,374	48,331	12,199	196	569	3,949	26	105	
Misc Exp Oper WT	1	0	0	0	0	0	0	0	0	
Misc Exp Oper WT	2	8	6	1	0	0	0	0	0	
Rents Oper WT	2	0	0	0	0	0	0	0	0	
TOTAL WT EXPENSE - OPERATION		195,268	134,347	42,429	753	1,961	15,029	150	599	
Super & Eng Maint WT	2	5	4	1	0	0	0	0	0	
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	3,909	2,890	729	12	34	236	2	6	
TOTAL WT EXPENSE - MAINTENANCE		3,914	2,893	730	12	34	236	2	6	
TOTAL WT EXPENSE		199,182	137,240	43,159	765	1,995	15,265	151	605	
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	11	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	7	5,950	3,232	931	14	43	289	315	1,128	
TD Lines Exp	7	2,960	1,608	463	7	21	144	157	561	
Meter Expense - Labor	9	0	0	0	0	0	0	0	0	
Meter Expense	9	0	0	0	0	0	0	0	0	
Customer Install Exp - Labor	10	1	1	0	0	0	0	0	0	
Customer Install Exp	10	0	0	0	0	0	0	0	0	

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)		Fire Protection Public (9) (10)	
							Private	Public	Private	Public
Misc Exp Oper TD - Labor	11	66,747	36,250	10,439	154	481	3,237	3,531	12,655	
Misc Exp Oper TD	11	72,777	39,525	11,382	167	524	3,530	3,850	13,799	
Misc Exp Oper TD	11	6,165	3,348	964	14	44	299	326	1,169	
Rents Oper TD	11	0	0	0	0	0	0	0	0	
TOTAL T & D EXPENSE OPERATION		154,600	83,964	24,179	356	1,113	7,498	8,178	29,312	
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0	
Struct & Improve Maint TD - Labor	12	0	0	0	0	0	0	0	0	
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0	
Dist Res Stand Maint TD - Labor	5	0	0	0	0	0	0	0	0	
TD Main Maint TD - Labor	7	7,246	3,935	1,133	17	52	351	383	1,374	
TD Main Maint TD	7	0	0	0	0	0	0	0	0	
Fire Main Maint TD - Labor	8	0	0	0	0	0	0	0	0	
Fire Main Maint TD	8	0	0	0	0	0	0	0	0	
Services Maint TD - Labor	10	0	0	0	0	0	0	0	0	
Services Maint TD	10	0	0	0	0	0	0	0	0	
Meters Maint TD - Labor	9	0	0	0	0	0	0	0	0	
Meters Maint TD	9	0	0	0	0	0	0	0	0	
Hydrants Maint TD - Labor	8	0	0	0	0	0	0	0	0	
Hydrants Maint TD	8	0	0	0	0	0	0	0	0	
Misc Plant Maint TD - Labor	12	11	6	2	0	0	1	1	2	
Mat and Sup Maint TD	12	5,559	3,019	869	13	40	270	294	1,054	
Misc Maint TD	12	0	0	0	0	0	0	0	0	
Amort Def Maint TD	5	263,650	173,192	53,969	765	2,399	16,320	3,717	13,288	
TOTAL T & D EXPENSE - MAINTENANCE		276,466	180,152	55,974	794	2,491	16,942	4,395	15,718	
TOTAL T & D EXPENSE		431,066	264,116	80,153	1,150	3,605	24,440	12,574	45,030	
CUSTOMER ACCOUNTS										
Supervision CA	13	0	0	0	0	0	0	0	0	
Meter Reading Exp CA	14	29,809	27,302	2,230	42	215	21	0	0	
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0	
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0	
Cust Rec & Collection CA	13	35,142	31,600	2,579	49	250	25	640	0	
Cust Rec & Collection CA	13	24,274	21,827	1,782	34	172	17	442	0	
Uncollectible Accts	13	28,834	25,928	2,116	40	205	20	525	0	
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0	
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0	
Misc Cust Accts Exp CA	13	3,863	3,474	284	5	27	3	70	0	
Cust Serv & Info Exp CA	13	0	0	0	0	0	0	0	0	
TOTAL CUSTOMER ACCOUNTING EXPENSE		121,922	110,130	8,991	171	869	85	1,676	0	

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)		Fire Protection Public (10)	
							Private (9)	Public (10)		
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	15	61,998	42,667	10,310	155	508	2,970	1,290	4,098	
Other Supplies & Exp AG	15	3,789	2,608	630	9	31	181	79	250	
Other Supplies & Exp AG	15	45,976	31,641	7,646	115	377	2,202	956	3,039	
Other Supplies & Exp AG	15	29,458	20,273	4,899	74	242	1,411	613	1,947	
Mgmt Fees-Admin	15	250,895	172,666	41,724	627	2,057	12,018	5,219	16,584	
Mgmt Fees-Customer Service	13	83,274	74,880	6,112	117	591	58	1,516	0	
Mgmt Fees-Belleville Lab	2	10,348	7,650	1,331	31	90	625	4	17	
Mgmt Fees- Employee	16	8,881	6,247	1,304	20	69	361	210	669	
Outside Services AG	15	22,009	15,147	3,660	55	180	1,054	458	1,455	
Outside Services AG	15	74,963	51,590	12,466	187	615	3,591	1,559	4,955	
Property Insurance	15	0	0	0	0	0	0	0	0	
Ins Gen Lab Oper AG	15	35,263	24,268	5,864	88	289	1,689	733	2,331	
Ins Work Comp AG	16	11,773	8,282	1,728	27	92	478	279	887	
Ins Other Oper AG	15	10,901	7,502	1,813	27	89	522	227	721	
Property Insurance	15	2,616	1,800	435	7	21	125	54	173	
Injuries & Damages	16	(160)	(113)	(23)	(0)	(1)	(6)	(4)	(12)	
Employee Pension & Benefits	16	81,991	57,680	12,036	189	640	3,329	1,943	6,174	
Employee Pension & Benefits	16	63,198	44,460	9,278	145	493	2,566	1,498	4,759	
Employee Pension & Benefits	16	12,903	9,077	1,894	30	101	524	306	972	
Reg Commission Exp	15	7,093	4,882	1,180	18	58	340	148	469	
Rents AG	15	1,991	1,371	331	5	16	95	41	132	
Goodwill Advertising Exp	15	57	39	9	0	0	3	1	4	
Misc Exp AG	15	30,190	20,777	5,021	75	248	1,446	628	1,996	
Research & Development	15	0	0	0	0	0	0	0	0	
TOTAL A & G OPERATIONS		849,407	605,394	130,248	2,001	6,807	35,582	17,758	51,617	
General Plant Maint AG	15	0	0	0	0	0	0	0	0	
Maint Exp ARO/Net Neg Sal AG	18	(29,883)	(19,540)	(5,011)	(78)	(272)	(1,455)	(604)	(2,923)	
General Plant Maint AG	15	3,580	2,464	595	9	29	171	74	237	
TOTAL A & G EXPENSE - MAINTENANCE		(26,303)	(17,077)	(4,416)	(69)	(243)	(1,284)	(529)	(2,686)	
TOTAL A & G EXPENSE		823,104	588,317	125,832	1,933	6,565	34,298	17,229	48,931	
Total Operation & Maintenance Expenses		1,869,864	1,298,145	322,652	5,169	16,017	97,183	32,600	98,099	

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)	Public Authorities (7)	Sales for Resale (8)		Fire Protection (9)		Public (10)
											Private	Public		
DEPRECIATION EXPENSE														
Struct & Imp SS	2	463	342	86	1	4	28	0	0	0	1			
Struct & Imp P	6	1,186	841	212	10	39	69	11	10	39				
Struct & Imp WT	2	20,981	15,511	3,915	63	183	1,267	8	34	34				
Struct & Imp TD	7	6,198	3,366	969	14	45	301	328	1,175					
Struct & Imp AG	15	28	19	5	0	0	1	1	2					
Struct & Imp Offices	15	1,629	1,121	271	4	13	78	34	108					
Struct & Imp Store, Shop, Gar	15	974	670	162	2	8	47	20	64					
Struct & Imp Misc	15	11,650	8,018	1,937	29	96	558	242	770					
Collect & Impounding	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0	0	0	0	0	0
Wells & Springs	2	5,513	4,076	1,029	17	48	333	2	9					
Supply Mains	2	3,556	2,629	664	11	31	215	1	6					
Power Generation Equip	6	2,669	1,893	478	7	22	155	88	25					
Pump Equip Electric	6	43,690	30,994	7,821	122	367	2,538	406	1,442					
Pump Equip Diesel	6	294	209	53	2	3	17	2	10					
Pump Equip Hydraulic	6	1,867	1,324	334	5	16	108	17	62					
Pump Equip Other	6	1,581	1,122	283	4	13	92	15	52					
WT Equip Non-Media	2	72,844	53,854	13,593	219	634	4,400	29	117					
WT Equip Filter Media	2	1,906	1,409	356	6	17	115	1	3					
Dist Reservoirs & Standpipe	5	84,681	55,627	17,334	246	771	5,242	1,194	4,268					
Elevated Tanks & Standpipes	5	2,616	1,718	535	8	24	162	37	132					
Ground Level Facilities	5	1,903	1,250	390	6	17	118	27	96					
Below Ground Facilities	5	707	464	145	2	6	44	10	36					
TD Mains Not Classified by	7	54,983	29,861	8,599	126	396	2,667	2,909	10,425					
TD Mains 4" & Less	4	4,664	2,194	684	10	31	207	335	1,202					
TD Mains 6 to 8"	4	586	276	86	1	4	26	42	151					
TD Mains 10 to 16"	3	109,213	76,973	19,418	306	906	6,302	1,158	4,150					
TD Mains 18" & Grtr	3	74,404	52,440	13,229	208	618	4,293	789	2,827					
Fire Mains	8	1,552	0	0	0	0	0	0	0					
Services	10	40,431	34,294	3,562	81	396	73	2,026	0					
Meters Bronze Case	9	19,595	15,406	3,435	61	445	249	0	0					
Meters Plastic Case	9	0	0	0	0	0	0	0	0					
Meters Other	9	1,171	921	205	4	27	15	0	0					
Meters Other-Rem Rdr Units	9	137	108	24	0	3	2	0	0					
Meter Installations	9	26,982	21,213	4,730	84	612	343	0	0					
Meter Installation Other	9	0	0	0	0	0	0	0	0					
Meter Vaults	9	7,115	5,594	1,247	22	162	90	0	0					
Hydrants	8	19,099	0	0	0	0	0	0	0					19,099
Other P/E Intangible	17	158	103	27	0	1	8	3	15					
Other P/E TD	7	655	356	102	2	5	32	35	124					
Other P/E CPS	15	3,227	2,221	537	8	26	155	67	213					
Office Furniture & Equip	15	1,452	999	241	4	12	70	30	96					

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Comp & Periph Equip	15	12,896	8,875	2,145	32	106	618	268	852
Computer Software	15	27,610	19,001	4,592	69	226	1,323	574	1,825
Comp Software Personal	15	2,740	1,886	456	7	22	131	57	181
Data Handling Equipment	15	20,639	14,204	3,432	52	169	989	429	1,364
Other Office Equipment	15	2,468	1,698	410	6	20	118	51	163
Trans Equip Lt Duty Trks	15	849	584	141	2	7	41	18	56
Trans Equip Hwy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	1,305	898	217	3	11	63	27	86
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	107	74	18	0	1	5	2	7
Tools,Shop,Garage Equip	15	6,060	4,170	1,008	15	50	290	126	401
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	11,401	8,429	2,127	34	99	689	5	18
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	7	5	1	0	0	0	0	0
Comm Equip Non-Telephone	15	2,421	1,666	403	6	20	116	50	160
Remote Control & Instr	15	1,196	823	199	3	10	57	25	79
Comm Equip Telephone	15	16	11	3	0	0	1	0	1
Misc Equipment	15	27,930	19,221	4,645	70	229	1,338	581	1,846
Other Tangible Property	15	0	0	0	0	0	0	0	0
Total Depreciation Expense		750,005	510,962	126,494	1,986	6,941	36,195	12,019	55,408
Amort-Other UP	18	1,226	802	206	3	11	60	25	120
Amort-Intangible Fin	2	336	248	63	1	3	20	0	1
Amort-Property Losses	2	0	0	0	0	0	0	0	0
Taxes Other Than Income									
Utility Reg Assessment Fee	19	40,085	26,817	6,782	108	361	1,988	758	3,271
Property Taxes	18	640,447	418,788	107,403	1,665	5,828	31,190	12,937	62,636
FUTA	16	368	259	54	1	3	15	9	28
FICA	16	19,590	13,782	2,876	45	153	795	464	1,475
SUTA	16	1,063	748	156	2	8	43	25	80
Other Taxes & Licenses	15	6,300	4,336	1,048	16	52	302	131	416
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		707,853	464,729	118,319	1,837	6,404	34,333	14,324	67,906
Income Taxes	18	878,577	574,502	147,337	2,284	7,995	42,787	17,747	85,925
Utility Income Available for Return	18	2,193,766	1,434,504	367,895	5,704	19,963	106,836	44,314	214,550
Revenue Contribution	19	(354,195)	(236,956)	(59,930)	(956)	(3,188)	(17,568)	(6,694)	(28,902)
Total Cost of Service		6,047,432	4,046,935	1,023,035	16,029	54,147	299,846	114,335	493,106
Less: Other Water Revenues	19	40,193	26,889	6,801	109	362	1,994	760	3,280
Total Other Water Revenues		40,193	26,889	6,801	109	362	1,994	760	3,280
Total Cost of Service Related to Sales of Water		\$ 6,007,239	\$ 4,020,046	\$ 1,016,235	\$ 15,920	\$ 53,785	\$ 297,852	\$ 113,575	\$ 489,826
Reallocation of Public Fire	20	0	390,097	86,944	1,518	11,266	0	0	(489,826)
Total		\$ 6,007,239	\$ 4,410,143	\$ 1,103,179	\$ 17,438	\$ 65,051	\$ 297,852	\$ 113,575	\$ -

**MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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 <u>(1)</u>	Average Daily Consumption, Thousand Gallons <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	1,326	0.6554
Commercial	479	0.2368
Industrial	9	0.0044
Other Public Authority	22	0.0109
Sales for Resale	177	0.0875
Private Fire Protection	2	0.0010
Public Fire Protection	8	0.0040
Total	<u><u>2,023</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 0.4000</u>	Allocation Factor <u>(4)</u>	Weighted Factor <u>(5)=(4)x 0.6000</u>	
Residential	0.6554	0.2621	0.7953	0.4772	0.7393
Commercial	0.2368	0.0947	0.1531	0.0919	0.1866
Industrial	0.0044	0.0018	0.0020	0.0012	0.0030
Other Public Authority	0.0109	0.0044	0.0072	0.0043	0.0087
Sales for Resale	0.0875	0.0350	0.0424	0.0254	0.0604
Private Fire Protection	0.0010	0.0004			0.0004
Public Fire Protection	0.0040	0.0016			0.0016
Total	<u><u>1.0000</u></u>	<u><u>0.4000</u></u>	<u><u>1.0000</u></u>	<u><u>0.6000</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
PARKVILLE 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, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,326	1.5	1,989	0.7953
Commercial	479	0.8	383	0.1531
Industrial	9	0.5	5	0.0020
Other Public Authority	22	0.8	18	0.0072
Sales for Resale	177	0.6	106	0.0424
Total	2,013		2,501	1.0000

The weighting of the factors is based on the maximum day ratio of 2.20, based on a review of maximum day ratios experienced during the period 1990 through 2007 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4000
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
PARKVILLE 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 (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.3813	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.5720	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0467	
Residential	0.6554	0.2499	0.7953	0.4549			0.7048
Commercial	0.2368	0.0902	0.1531	0.0876			0.1778
Industrial	0.0044	0.0017	0.0020	0.0011			0.0028
Other Public Authority	0.0109	0.0042	0.0072	0.0041			0.0083
Sales for Resale	0.0875	0.0334	0.0424	0.0243			0.0577
Private Fire Protection	0.0010	0.0004			0.2179	0.0102	0.0106
Public Fire Protection	0.0040	0.0015			0.7821	0.0365	0.0380
Total	<u>1.0000</u>	<u>0.3813</u>	<u>1.0000</u>	<u>0.5720</u>	<u>1.0000</u>	<u>0.0467</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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 2008 of 1.962 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	1,961,797	0.3813
Maximum Day Extra Capacity	<u>1.50</u>	<u>2,942,696</u>	<u>0.5720</u>
Subtotal	<u><u>2.50</u></u>	4,904,493	0.9533
Fire Protection		<u>240,000</u>	<u>0.0467</u>
Total		<u><u>5,144,493</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
 PARKVILLE 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 (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.2237	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4477	Allocation Factor (7)	Allocation Factor (8)=(7) X 0.3286	Allocation Factor (9)=(4)+(6)+(8)		
Residential	55.3	0.6551	0.1465	0.7239	0.3240			0.4705		
Commercial	20.0	0.2370	0.0530	0.2093	0.0937			0.1467		
Industrial	0.4	0.0047	0.0011	0.0022	0.0010			0.0021		
Other Public Authority	0.9	0.0107	0.0024	0.0093	0.0042			0.0066		
Sales for Resale	7.4	0.0877	0.0196	0.0553	0.0248			0.0444		
Private Fire Protection	0.1	0.0012	0.0003			0.2179	0.0716	0.0719		
Public Fire Protection	0.3	0.0036	0.0008			0.7821	0.2570	0.2578		
Total	84.4	1.0000	0.2237	1.0000	0.4477	1.0000	0.3286	1.0000		

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

**MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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 2008 of 1.962 MGD. The system demand for fire protection is 2,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,362	0.2237
Maximum Hour Extra Capacity	2.00	2,724	0.4477
Subtotal	<u>3.00</u>	4,086	0.6714
Fire Protection		2,000	0.3286
Total		<u>6,086</u>	<u>1.0000</u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	55.3	3.5	193.6	0.7239
Commercial	20.0	2.8	56.0	0.2093
Industrial	0.4	1.5	0.6	0.0022
Other Public Authority	0.9	2.8	2.5	0.0093
Sales for Resale	7.4	2.0	14.8	0.0553
Total	<u>84.0</u>		<u>267.5</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
PARKVILLE 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 (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection			Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3123	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.6247	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.0630	Allocation Factor		
Residential	55.3	0.6551	0.2046	0.7239	0.4523				0.6569	
Commercial	20.0	0.2370	0.0740	0.2093	0.1307				0.2047	
Industrial	0.4	0.0047	0.0015	0.0022	0.0014				0.0029	
Other Public Authority	0.9	0.0107	0.0033	0.0093	0.0058				0.0091	
Sales for Resale	7.4	0.0877	0.0274	0.0553	0.0345				0.0619	
Private Fire Protection	0.1	0.0012	0.0004			0.2179	0.0137	0.0137	0.0141	
Public Fire Protection	0.3	0.0036	0.0011			0.7821	0.0493	0.0493	0.0504	
Total	84.4	1.0000	0.3123	1.0000	0.6247	1.0000	0.0630	1.0000	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
PARKVILLE 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
PARKVILLE WATER DISTRICT**

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

FACTOR 6. ALLOCATION OF COSTS ASSOCIATED WITH POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1358	(4)	(5)=(4)X 0.8642	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.7393	0.1004	0.7048	0.6090	0.4705	0.0000	0.7094
Commercial	0.1866	0.0253	0.1778	0.1537	0.1467	0.0000	0.1790
Industrial	0.0030	0.0004	0.0028	0.0024	0.0021	0.0000	0.0028
Other Public Authority	0.0087	0.0012	0.0083	0.0072	0.0066	0.0000	0.0084
Sales for Resale	0.0604	0.0082	0.0577	0.0499	0.0444	0.0000	0.0581
Private Fire Protection	0.0004	0.0001	0.0106	0.0092	0.0719	0.0000	0.0093
Public Fire Protection	0.0016	0.0002	0.0380	0.0328	0.2578	0.0000	0.0330
Total	<u>1.0000</u>	<u>0.1358</u>	<u>1.0000</u>	<u>0.8642</u>	<u>1.0000</u>	<u>0.0000</u>	<u>1.0000</u>

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	165	0.1358
Associated with Maximum Day and Fire	1,050	0.8642
Associated with Maximum Hour	<u>0</u>	<u>0.0000</u>
Total	<u>1,215</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation	Weighted	Allocation	Weighted	
	Factor 3	Factor	Factor 4	Factor	
(1)	(2)	(3)=(2)X 0.3102	(4)	(5)=(4)X 0.6898	(6)=(3)+(5)
Residential	0.7048	0.2185	0.4705	0.3246	0.5431
Commercial	0.1778	0.0552	0.1467	0.1012	0.1564
Industrial	0.0028	0.0009	0.0021	0.0014	0.0023
Other Public Authority	0.0083	0.0026	0.0066	0.0046	0.0072
Sales for Resale	0.0577	0.0179	0.0444	0.0306	0.0485
Private Fire Protection	0.0106	0.0033	0.0719	0.0496	0.0529
Public Fire Protection	0.0380	0.0118	0.2578	0.1778	0.1896
Total	1.0000	0.3102	1.0000	0.6898	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	146,468	0.3102
Distribution Mains	325,741	0.6898
Total	472,209	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	5,339	0.7862
Commercial	1,190	0.1753
Industrial	21	0.0031
Other Public Authority	154	0.0227
Sales for Resale	86	0.0127
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>6,790</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)
5/8	1.0	4,722	4,722	239	239	4	4	18	18	0	0	4,983	4,983
3/4	1.3	0	0	0	0	0	0	0	0	0	0	0	0
1	1.7	318	541	75	128	0	0	4	7	0	0	397	676
1-1/2	3.5	12	42	33	116	1	4	8	28	0	0	54	190
2	4.3	8	34	48	206	3	13	8	34	0	0	67	287
3	19.0	0	0	10	190	0	0	1	19	3	57	14	266
4	29.3	0	0	4	117	0	0	0	0	1	29	5	146
6	48.4	0	0	4	194	0	0	1	48	0	0	5	242
8	112.9	0	0	0	0	0	0	0	0	0	0	0	0
Total		5,060	5,339	413	1,190	8	21	40	154	4	86	5,525	6,790

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	5,129	0.8482
Commercial	533	0.0881
Industrial	12	0.0020
Other Public Authority	59	0.0098
Sales for Resale	11	0.0018
Private Fire Protection	303	0.0501
Total	<u>6,047</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Residential Number of Services (3)	Commercial (5)		Industrial (7)		Other Public Authority (9)		Sales for Resale (11)		Private Fire Protection (13)		Total	
	Number of Services (4)=(2)X(3)	Weighting (6)=(2)X(5)	Number of Services (8)=(2)X(7)	Weighting (10)=(2)X(9)	Number of Services (12)=(2)X(11)	Weighting (14)=(2)X(11)	Number of Services (15)	Weighting (16)	Number of Services (15)	Weighting (16)	Number of Services (15)	Weighting (16)
4,722	4,722	239	4	4	18	18	0	0	0	0	4,983	4,983
318	372	75	0	0	4	5	0	0	0	0	397	465
12	19	33	1	2	8	13	0	0	0	0	54	86
8	16	48	3	6	8	16	0	0	1	2	68	138
0	0	10	0	0	1	3	3	8	1	3	15	41
0	0	4	0	0	0	0	1	3	9	26	14	41
0	0	4	0	0	1	4	0	0	44	187	49	208
0	0	0	0	0	0	0	0	0	8	56	8	56
0	0	0	0	0	0	0	0	0	3	29	3	29
0	0	0	0	0	0	0	0	0	0	0	0	0
5,060	5,129	413	8	12	40	59	4	11	66	303	5,591	6,047

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 11. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 4,840	0.5431
Commercial	1,394	0.1564
Industrial	20	0.0023
Other Public Authority	64	0.0072
Sales for Resale	432	0.0485
Private Fire Protection	471	0.0529
Public Fire Protection	1,689	0.1896
Total	<u>8,911</u>	<u>1.0000</u>

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 3,935	0.5431
Commercial	1,133	0.1564
Industrial	17	0.0023
Other Public Authority	52	0.0072
Sales for Resale	351	0.0485
Private Fire Protection	383	0.0529
Public Fire Protection	1,374	0.1896
Total	<u>\$7,246</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT**

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

<u>Customer Classification</u> (1)	<u>Total Customers</u> (2)	<u>Allocation Factor</u> (3)
Residential	5,060	0.8992
Commercial	413	0.0734
Industrial	8	0.0014
Other Public Authority	40	0.0071
Sales for Resale	4	0.0007
Private Fire Protection	103	0.0182
Public Fire Protection	0	0.0000
	<hr/>	<hr/>
Total	<u><u>5,628</u></u>	<u><u>1.0000</u></u>

FACTOR 14. 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	5,060	0.9159
Commercial	413	0.0748
Industrial	8	0.0014
Other Public Authority	40	0.0072
Sales for Resale	4	0.0007
	<hr/>	<hr/>
Total	<u><u>5,525</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 15. 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	\$498,819	0.6882
Commercial	120,582	0.1663
Industrial	1,819	0.0025
Other Public Authority	5,943	0.0082
Sales for Resale	34,714	0.0479
Private Fire Protection	15,049	0.0208
Public Fire Protection	47,880	0.0661
Total	\$724,807	1.0000

FACTOR 15A. 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	\$1,298,145	0.6941
Commercial	322,652	0.1726
Industrial	5,169	0.0028
Other Public Authority	16,017	0.0086
Sales for Resale	97,183	0.0520
Private Fire Protection	32,600	0.0174
Public Fire Protection	98,099	0.0525
Total	\$1,869,864	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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	\$205,321	0.7035
Commercial	42,847	0.1468
Industrial	668	0.0023
Other Public Authority	2,262	0.0078
Sales for Resale	11,833	0.0406
Private Fire Protection	6,923	0.0237
Public Fire Protection	21,968	0.0753
Total	<u>\$291,823</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	\$17,854,146	0.6535
Commercial	4,583,700	0.1678
Industrial	71,459	0.0026
Other Public Authority	248,969	0.0091
Sales for Resale	1,331,047	0.0487
Private Fire Protection	552,400	0.0202
Public Fire Protection	2,679,249	0.0981
Total	<u>\$27,320,969</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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	\$16,097,152	0.6539
Commercial	4,129,412	0.1677
Industrial	64,411	0.0026
Other Public Authority	224,217	0.0091
Sales for Resale	1,199,047	0.0487
Private Fire Protection	498,131	0.0202
Public Fire Protection	2,409,023	0.0978
Total	<u>\$24,621,393</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	\$4,252,193	0.6690
Commercial	1,075,003	0.1692
Industrial	16,859	0.0027
Other Public Authority	56,916	0.0090
Sales for Resale	315,086	0.0496
Private Fire Protection	120,124	0.0189
Public Fire Protection	518,268	0.0816
Total	<u>\$6,354,449</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)			Industrial (6)			Public Authorities (7)		Sales for Resale (8)		Fire Protection (9)		Public (10)
			\$			\$			\$			\$		\$		\$		
RATE BASE																		
Organization	17	\$	2,384	\$	1,558	\$	400	\$	6	\$	22	\$	116	\$	48	\$	234	
Franchises	17		13		9		2		0		0		1		0		1	
Land & Ld Rights SS	2		1,735		1,283		324		5		15		105		1		3	
Land & Ld Rights P	6		0		0		0		0		0		0		0		0	
Land & Ld Rights WT	2		432		320		81		1		4		26		0		1	
Land & Ld Rights TD	7		35,704		19,391		5,584		82		257		1,732		1,889		6,770	
Land & Land Rights AG	15		142		98		24		0		1		7		3		9	
Struct & Imp SS	2		9,690		7,164		1,808		29		84		585		4		16	
Struct & Imp P	6		10,481		7,435		1,876		29		88		609		97		346	
Struct & Imp Pump Boosters	6		0		0		0		0		0		0		0		0	
Struct & Imp WT	2		465,969		344,491		86,950		1,398		4,054		28,145		186		746	
Struct & Imp TD	7		252,207		136,973		39,445		580		1,816		12,232		13,342		47,818	
Struct & Imp TD Spec Cross	7		0		0		0		0		0		0		0		0	
Struct & Imp AG	15		1,173		807		195		3		10		56		24		78	
Struct & Imp Offices	15		29,841		20,537		4,963		75		245		1,429		621		1,973	
Gen Structures HVAC	15		0		0		0		0		0		0		0		0	
Struct & Imp Leasehold	15		6		4		1		0		0		0		0		0	
Struct & Imp Leasehold	15		0		0		0		0		0		0		0		0	
Struct & Imp Store,Shop,Gar	15		17,568		12,091		2,922		44		144		842		365		1,161	
Struct & Imp Misc	15		483,803		332,953		80,456		1,210		3,967		23,174		10,063		31,979	
Collect & Impounding	1		0		0		0		0		0		0		0		0	
Lake, River & Other Intakes	2		0		0		0		0		0		0		0		0	
Wells & Springs	2		158,124		116,901		29,506		474		1,376		9,551		63		253	
Supply Mains	2		154,448		114,184		28,820		463		1,344		9,329		62		247	
Power Generation Equip	6		128,591		91,223		23,018		360		1,080		7,471		1,196		4,244	
Power Generation Equip Othe	6		0		0		0		0		0		0		0		0	
Boiler Plant Equipment P	6		0		0		0		0		0		0		0		0	
Pump Equip Steam	6		0		0		0		0		0		0		0		0	
Pump Equip Electric	6		1,574,793		1,117,158		281,888		4,409		13,228		91,495		14,646		51,968	
Pump Equip Elec Boosters Po	6		0		0		0		0		0		0		0		0	
Pump Equip Diesel	6		11,821		8,386		2,116		33		99		687		110		390	
Pump Equip Hydraulic	6		77,071		54,674		13,796		216		647		4,478		717		2,543	
Pump Equip Other	6		64,727		45,917		11,586		181		544		3,761		602		2,136	
Pump Equip WT	6		0		0		0		0		0		0		0		0	
Pump Equip TD	6		0		0		0		0		0		0		0		0	
WT Equip Non-Media	2		1,890,736		1,397,821		352,811		5,672		16,449		114,200		756		3,025	
WT Equip Filter Media	2		64,261		47,508		11,991		193		559		3,881		26		103	
Dist Reservoirs & Standpipe	5		3,023,530		1,986,157		618,917		8,768		27,514		187,156		42,632		152,386	
Elevated Tanks & Standpipes	5		60,885		39,995		12,463		177		554		3,769		858		3,069	
Ground Level Facilities	5		67,908		44,609		13,901		197		618		4,203		957		3,423	
Below Ground Facilities	5		27,207		17,873		5,569		79		248		1,684		384		1,371	

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
TD Mains Not Classified by	7	1,888,698	1,025,752	295,392	4,344	13,599	91,602	99,912	358,097
TD Mains 4" & Less	4	227,292	106,941	33,344	477	1,500	10,092	16,342	58,596
TD Mains 6 to 8"	4	2,643,306	1,243,676	387,773	5,551	17,446	117,363	190,054	681,444
TD Mains 10 to 16"	3	5,444,891	3,837,559	968,102	15,246	45,193	314,170	57,716	206,906
TD Mains 18" & Grtr	3	3,843,257	2,708,727	683,331	10,761	31,899	221,756	40,739	146,044
Fire Mains	8	78,105	0	0	0	0	0	0	78,105
Services	10	858,843	728,471	75,664	1,718	8,417	1,546	43,028	0
Meters Bronze Case	9	848,832	667,352	148,800	2,631	19,268	10,780	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	120	94	21	0	3	2	0	0
Meters Other-Rem Rdr Unts	9	6,034	4,744	1,058	19	137	77	0	0
Meter Installations	9	1,024,440	805,415	179,584	3,176	23,255	13,010	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Meter Vaults	9	318,911	250,728	55,905	989	7,239	4,050	0	0
Hydrants	8	785,940	0	0	0	0	0	0	785,940
Other P/E Intangible	17	11,552	7,549	1,938	30	105	563	233	1,133
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	16,870	9,162	2,638	39	121	818	892	3,199
Other P/E CPS	15	118,438	81,509	19,696	296	971	5,673	2,464	7,829
Office Furniture & Equip	15	587	404	98	1	5	28	12	39
Comp & Periph Equip	15	38,313	26,367	6,371	96	314	1,835	797	2,632
Computer Software	15	19,226	13,232	3,197	48	158	921	400	1,271
Comp Software Personal	15	6,745	4,642	1,122	17	55	323	140	446
Comp Software Other	15	0	0	0	0	0	0	0	0
Data Handling Equipment	15	136,211	93,740	22,652	341	1,117	6,525	2,833	9,004
Other Office Equipment	15	19,550	13,454	3,251	49	160	936	407	1,292
Trans Equip Lt Duty Trks	15	23,363	16,078	3,885	58	192	1,119	486	1,544
Trans Equip Hvy Duty Trks	15	211	145	35	1	2	10	4	14
Trans Equip Autos	15	(1,670)	(1,149)	(278)	(4)	(14)	(80)	(35)	(110)
Trans Equip Other	15	(17,258)	(11,877)	(2,870)	(43)	(142)	(827)	(359)	(1,141)
Stores Equipment	15	1,277	879	212	3	10	61	27	84
Tools,Shop,Garage Equip	15	72,125	49,636	11,394	180	591	3,455	1,500	4,767
Tools,Shop,Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	44,958	33,237	8,389	135	391	2,715	18	72
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	(222)	(153)	(37)	(1)	(2)	(11)	(5)	(15)
Comm Equip Non-Telephone	15	4,377	3,013	728	11	36	210	91	289
Remote Control & Instr	15	16,574	11,406	2,756	41	136	794	345	1,096
Comm Equip Telephone	15	176	121	29	0	1	8	4	12
Misc Equipment	15	239,595	164,889	39,845	599	1,965	11,477	4,984	15,837
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		27,334,918	17,863,261	4,586,040	71,495	249,096	1,331,726	552,681	2,680,618

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15A	0	0	0	0	0	0	0	0
Materials and Supplies	15	114,741	78,365	19,081	287	941	5,496	2,387	7,684
Prepayments	15	16,590	11,417	2,759	41	136	795	345	1,097
OPEB's Contributed to External Fund	16	98,890	69,569	14,517	227	771	4,015	2,344	7,446
Pension / OPEB Tracker	16	19,643	13,819	2,884	45	153	798	466	1,479
Regulatory Deferrals	17	42,098	27,511	7,064	109	383	2,050	850	4,130
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(2,939,402)	(1,920,899)	(493,232)	(7,642)	(26,749)	(143,149)	(59,376)	(288,355)
Pensions	16	(66,085)	(46,491)	(9,701)	(152)	(515)	(2,683)	(1,566)	(4,976)
Total Other Rate Base Elements		(2,713,525)	(1,766,109)	(456,628)	(7,084)	(24,879)	(132,679)	(54,551)	(271,595)
Total Original Cost Measure of Value		\$ 24,621,393	\$ 16,097,152	\$ 4,129,412	\$ 64,411	\$ 224,217	\$ 1,199,047	\$ 498,131	\$ 2,409,023

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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.

Customer Classification <u>(1)</u>	5/8" Dollar Equivalents <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	5,339	0.7964
Commercial	1,190	0.1775
Industrial	21	0.0031
Other Public Authority	154	0.0230
Sales for Resale	0	0.0000
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>6,704</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2008

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

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE 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	9	144	
6 -inch	36.00	44	1,584	
8 -inch	64.00	8	512	
10 -inch	100.00	3	300	
12 -inch	144.00	0	0	
Private Hydrants	26.50	37	967	
Total Private Fire Protection		102.5	3,520	0.2179
<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	426	11,289
4 1/2" Valve	1-2 1/2"	6.25	215	1,344
Total Public Fire Protection		641	12,633	0.7821
Total Fire Protection		744	16,153	1.0000

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

CALCULATION OF CUSTOMER CHARGE

(1) Cost Related to Meters	329,888		
(2) Meter Equivalents X 12	81,480		
(3) Cost per Bill - Meter related		\$	4.05
(4) Cost Related to Services	139,256		
(5) Service Equivalents X 12	72,564		
(6) Cost per Bill - Services related		\$	1.92
(7) Cost Related to Billing and Collecting	380,818		
(8) Number of Customers X 12	67,530		
(9) Cost per Bill - Billing and Collecting		\$	<u>5.64</u>
(10) Total Customer Charge (3)+(6)+(9)		\$	11.61

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 JUNE 30, 2009

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	\$ 11,871,403	46.9%	\$ 10,070,185	50.2%	\$ 12,926,243	51.0%	\$ 2,856,058	28.4%
Commercial	3,916,611	15.5%	3,755,412	18.7%	\$ 4,240,743	16.7%	485,331	12.9%
Industrial	3,998,201	15.8%	2,988,266	14.9%	\$ 4,230,790	16.7%	1,242,524	41.6%
Large Industrial	2,128,946	8.3%	436,579	2.2%	\$ 442,864	1.8%	6,285	1.4%
Public Authority	729,272	2.9%	670,067	3.3%	\$ 788,222	3.1%	118,155	17.6%
Sales for Resale	2,363,868	9.3%	1,900,568	9.5%	\$ 2,379,305	9.4%	478,737	25.2%
Private Fire Service	323,637	1.3%	250,593	1.2%	\$ 323,632	1.3%	73,039	29.1%
Public Fire Service	-	0.0%	\$0	0.0%	\$ -	0.0%	-	-
Total Sales	25,331,939	100.0%	20,071,670	100.0%	25,331,799	100.0%	5,260,129	26.2%
Other Revenues	316,832		256,717		\$316,832		60,115	23.4%
Total	\$ 25,648,771		\$ 20,328,387		\$ 25,648,631		\$ 5,320,244	26.2%

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)		Large Industrial (7)		Public Authorities (8)		Sales for Resale (9)		Fire Protection (10)		Public (11)
OPERATION AND MAINTENANCE EXPENSES																		
SOURCE OF SUPPLY EXPENSES																		
Super & Eng Oper SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Labor & Exp Oper SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	75,386	25,669	12,145	16,072	8,594	16,072	8,594	16,072	8,594	16,072	2,412	10,207	68	219	68	219	0
Purchased Water	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		75,386	25,669	12,145	16,072	8,594	16,072	8,594	16,072	8,594	16,072	2,412	10,207	68	219	68	219	0
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rents Oper SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Struct & Improve Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Collect & Impound Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wells & Springs Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infill Gall & Tunnels Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infill Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supply Mains Maint SS - Labor	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc Plant Maint SS - Labor	2	98	33	16	21	11	21	11	21	11	3	3	13	0	0	0	0	0
Misc Plant Maint SS	2	8,874	3,022	1,430	1,892	1,012	1,892	1,012	1,892	1,012	284	284	1,202	8	26	8	26	0
TOTAL SS EXPENSE - MAINTENANCE		8,972	3,055	1,445	1,913	1,023	1,913	1,023	1,913	1,023	287	287	1,215	8	26	8	26	0
TOTAL SS EXPENSE		84,358	28,724	13,590	17,985	9,617	17,985	9,617	17,985	9,617	2,699	2,699	11,422	76	245	76	245	0
POWER AND PUMPING EXPENSES																		
Super & Eng Oper P	6	45,080	15,052	7,105	9,345	4,977	9,345	4,977	9,345	4,977	1,411	1,411	5,915	289	987	289	987	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod - Labor	6	(13,139)	(4,387)	(2,071)	(2,724)	(1,451)	(2,724)	(1,451)	(2,724)	(1,451)	(411)	(411)	(1,724)	(84)	(288)	(84)	(288)	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	812,971	237,306	122,759	189,097	120,889	189,097	120,889	189,097	120,889	24,389	24,389	113,897	1,057	3,577	1,057	3,577	0
Labor & Exp Oper Pump - Labor	6	524,913	175,268	82,726	108,814	57,950	108,814	57,950	108,814	57,950	16,430	16,430	68,869	3,359	11,496	3,359	11,496	0
Labor & Exp Oper Pump	6	240	80	38	50	26	50	26	50	26	8	8	31	2	5	2	5	0
Misc Exp Oper P	6	11,167	3,729	1,760	2,315	1,233	2,315	1,233	2,315	1,233	350	350	1,465	71	245	71	245	0
Rents Oper P	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		1,381,232	427,049	212,317	306,898	183,625	306,898	183,625	306,898	183,625	42,176	42,176	188,453	4,694	16,022	4,694	16,022	0
Super & Eng Maint P	6	46,570	15,650	7,339	9,654	5,141	9,654	5,141	9,654	5,141	1,458	1,458	6,110	298	1,020	298	1,020	0
Struct & Improve Maint P - Labor	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Power Prod Equip Maint P - Labor	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Large Industrial (7)	Public Authorities (8)	Sales for Resale (9)	Private (10)	Fire Protection Public (11)
Pump Equip Maint P - Labor	6	0	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	2,410	805	380	500	266	75	316	15	53
TOTAL PUMPING EXPENSES - MAINTENANCE		48,980	16,355	7,719	10,154	5,407	1,533	6,426	313	1,073
TOTAL PUMPING EXPENSES		1,430,212	443,403	220,036	317,051	189,032	43,709	194,879	5,007	17,095
WATER TREATMENT										
Super & Eng Oper WT	2	71,966	24,504	11,594	15,343	8,204	2,303	9,744	65	209
Chemicals	1	729,631	212,979	110,174	169,712	108,496	21,889	102,221	949	3,210
Labor & Exp Oper WT - Labor	2	0	0	0	0	0	0	0	0	0
Labor & Exp Oper WT	2	69,967	23,824	11,272	14,917	7,976	2,239	9,474	63	203
Misc Exp Oper WT	2	0	0	0	0	0	0	0	0	0
Misc Exp Oper WT	1	296,974	86,687	44,843	69,076	44,160	8,909	41,606	386	1,307
Misc Exp Oper WT	2	21,657	7,374	3,489	4,617	2,469	693	2,932	19	63
Rents Oper WT	2	0	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		1,190,195	355,368	181,372	273,666	171,305	36,033	165,977	1,482	4,991
Super & Eng Maint WT	2	38	13	6	8	4	1	5	0	0
Struct & Improve Maint WT - Labor	2	0	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0	0
WT Equip Maint WT - Labor	2	0	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	41,861	14,254	6,744	8,925	4,772	1,340	5,668	38	121
TOTAL WT EXPENSE - MAINTENANCE		41,899	14,267	6,750	8,933	4,776	1,341	5,673	38	122
TOTAL WT EXPENSE		1,232,094	369,635	188,122	282,599	176,082	37,374	171,651	1,520	5,113
TRANSMISSION AND DISTRIBUTION EXPENSES										
Super & Eng Oper TD	11	23,408	13,652	3,696	1,643	321	662	396	887	2,151
Storage Facility Exp - Labor	5	0	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0	0
TD Lines Exp - Labor	7	278,663	113,137	52,389	30,569	6,075	10,422	7,217	13,125	45,729
TD Lines Exp	7	8,551	3,472	1,608	938	186	320	221	403	1,403
Meter Expense - Labor	9	120,894	95,724	16,804	3,748	737	2,781	1,100	0	0
Meter Expense	9	19	15	3	1	0	0	0	0	0
Customer Install Exp - Labor	10	105,012	86,918	10,207	767	42	1,008	147	5,923	0
Customer Install Exp	10	0	0	0	0	0	0	0	0	0
Misc Exp Oper TD - Labor	11	19,616	11,440	3,097	1,377	269	555	332	743	1,803
Misc Exp Oper TD	11	0	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	56,196	32,774	8,873	3,945	770	1,590	950	2,130	5,164
Rents Oper TD	11	211	123	33	15	3	6	4	8	19
M & S Oper TD Mains	11	0	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		612,570	357,254	96,710	43,002	8,403	17,345	10,367	23,219	56,270
Super & Eng Maint TD	12	13,379	5,149	1,690	842	167	320	203	355	4,653
Struct & Improve Maint TD - Labor	12	16	6	2	1	0	0	0	0	6
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD - Labor	5	195	59	27	31	25	5	21	6	21
TD Main Maint TD - Labor	7	105,603	42,956	19,891	11,607	2,307	3,957	2,740	4,983	17,362

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Large Industrial	Public Authorities	Sales for Resale	Fire Protection	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10) Private (11) Public	
TD Main Maint TD	7	4,096	1,663	770	449	89	153	106	193	672
Fire Main Maint TD - Labor	8	202	0	0	0	0	0	0	0	202
Fire Main Maint TD	8	0	0	0	0	0	0	0	0	0
Services Maint TD - Labor	10	7,712	6,383	750	56	3	74	11	435	0
Services Maint TD	10	0	0	0	0	0	0	0	0	0
Meters Maint TD - Labor	9	38,566	30,536	5,361	1,196	235	887	351	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0	0
Hydrants Maint TD - Labor	8	55,505	0	0	0	0	0	0	0	55,505
Hydrants Maint TD	8	0	0	0	0	0	0	0	0	0
Misc Plant Maint TD - Labor	12	1,628	627	206	102	20	39	25	43	566
Mat and Sup Maint TD	12	143,262	55,142	18,094	9,011	1,791	3,424	2,178	3,796	49,827
Misc Maint TD	12	0	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	913,786	274,410	125,554	146,206	116,599	24,855	98,963	28,327	98,872
TOTAL T & D EXPENSE - MAINTENANCE		1,284,149	416,930	172,343	169,501	121,237	33,715	104,598	38,139	227,686
TOTAL T & D EXPENSE		1,896,719	774,165	269,054	212,503	129,640	51,059	114,965	61,358	283,955
CUSTOMER ACCOUNTS										
Supervision CA	13	37,660	33,386	3,348	143	4	241	23	516	0
Meter Reading Exp CA - Labor	14	280,702	252,267	25,319	1,095	28	1,825	168	0	0
Meter Reading Exp CA	14	6,611	5,941	596	26	1	43	4	0	0
Meter Reading Exp CA	14	3,008	2,703	271	12	0	20	2	0	0
Cust Rec & Collection CA - Labor	13	26,925	23,869	2,394	102	3	172	16	369	0
Cust Rec & Collection CA	13	141,144	125,124	12,548	536	14	903	85	1,934	0
Uncollectible Accts	13	240,328	213,051	21,365	913	24	1,538	144	3,292	0
Misc Cust Accts Exp CA - Labor	13	6,827	6,052	607	26	1	44	4	94	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	38,160	33,829	3,392	145	4	244	23	523	0
Cust Serv & Info Exp CA	13	0	0	0	0	0	0	0	0	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		781,365	696,222	69,841	2,998	78	5,030	469	6,727	0
ADMINISTRATIVE AND GENERAL EXPENSES										
Salaries AG	15	319,764	158,347	43,072	36,133	20,593	7,546	21,008	6,459	26,604
Other Supplies & Exp AG	15	100	50	13	11	6	2	7	2	8
Other Supplies & Exp AG	15	122,113	60,470	16,449	13,799	7,864	2,882	8,023	2,467	10,160
Other Supplies & Exp AG	15	68,151	33,748	9,180	7,701	4,389	1,608	4,478	1,377	5,670
Mgmt Fees-Admin	15	1,438,598	712,394	193,779	162,562	92,646	33,951	94,516	29,060	119,691
Mgmt Fees-Customer Service	13	477,485	423,290	42,448	1,814	48	3,056	286	6,542	0
Mgmt Fees-Belleville Lab	2	59,331	20,202	9,558	12,649	6,764	1,899	8,033	53	172
Mgmt Fees- Employee	16	50,920	26,606	7,108	5,525	2,541	1,242	2,948	911	4,038
Outside Services AG	15	91,454	45,288	12,319	10,334	5,890	2,158	6,009	1,847	7,609
Outside Services AG	15	302,045	149,573	40,685	34,131	19,452	7,128	19,844	6,101	25,130
Ins Gen Liab Oper AG	15	202,193	100,126	27,235	22,848	13,021	4,772	13,284	4,084	16,822
Ins Work Comp AG	16	86,074	44,974	12,016	9,339	4,295	2,100	4,984	1,541	6,826
Ins Other Oper AG	15	62,506	30,953	8,420	7,063	4,025	1,475	4,107	1,263	5,200
Property Insurance	15	19,013	9,415	2,561	2,148	1,224	449	1,249	384	1,582
Injuries & Damages	16	1,795	938	251	195	90	44	104	32	142

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Large Industrial (7)	Public Authorities (8)	Sales for Resale (9)	Private (10)	Fire Protection Public (11)
Employee Pension & Benefits	16	619,799	323,845	86,524	67,248	30,928	15,123	35,886	11,094	49,150
Employee Pension & Benefits	16	451,777	236,053	63,068	49,018	22,544	11,023	26,158	8,087	35,826
Employee Pension & Benefits	16	72,580	37,923	10,132	7,875	3,622	1,771	4,202	1,299	5,756
Reg Commission Exp	19	40,672	17,233	5,954	6,324	3,392	1,114	3,778	525	2,351
Rents AG	15	46,762	23,157	6,299	5,284	3,011	1,104	3,072	945	3,891
Goodwill Advertising Exp	15	326	161	44	37	21	8	21	7	27
Misc Exp AG	15	296,552	146,853	39,946	33,510	19,098	6,999	19,483	5,990	24,673
Research & Development	15	0	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		4,830,010	2,601,598	637,062	495,550	265,463	107,455	281,482	90,070	351,329
General Plant Maint AG - Labor	15	0	0	0	0	0	0	0	0	0
Maint Exp ARO/Net Neg Sal AG	18	(29,090)	(11,101)	(4,483)	(5,073)	(2,595)	(870)	(3,060)	(314)	(1,594)
General Plant Maint AG	15	24,902	12,331	3,354	2,814	1,604	588	1,636	503	2,072
TOTAL A & G EXPENSE - MAINTENANCE		(4,188)	1,231	(1,128)	(2,259)	(991)	(282)	(1,424)	189	478
TOTAL A & G EXPENSE		4,825,822	2,602,829	635,934	493,291	264,472	107,173	280,058	90,259	351,807
Total Operation & Maintenance Expenses		10,250,570	4,914,998	1,396,576	1,326,427	766,921	247,044	773,443	164,947	658,215
DEPRECIATION EXPENSE										
Struct & Imp SS	2	51,415	17,507	8,283	10,952	5,861	1,645	6,962	46	149
Struct & Imp P	6	299,080	99,863	47,135	61,999	33,018	9,361	39,239	1,914	6,550
Struct & Imp WT	2	807,884	275,085	130,150	172,241	92,099	25,852	109,387	727	2,343
Struct & Imp TD	7	8,578	3,483	1,613	187	42	321	222	404	1,408
Struct & Imp AG	15	659	326	89	74	42	16	43	13	55
Struct & Imp Offices	15	0	0	0	0	0	0	0	0	0
Struct & Imp Store, Shop, Gar	15	9,138	4,525	1,231	1,033	588	216	600	185	760
Struct & Imp Misc	15	36,869	18,258	4,966	4,166	2,374	870	2,422	745	3,068
Collect & Impounding	1	0	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	334	114	54	71	38	11	45	0	1
Wells & Springs	2	755	257	122	161	86	24	102	1	2
Supply Mains	2	161,049	54,837	25,945	34,336	18,360	5,154	21,806	145	467
Power Generation Equip	6	409	137	64	85	45	13	54	3	9
Pump Equip Electric	6	119,430	39,878	18,822	24,758	13,185	3,738	15,669	764	2,616
Pump Equip Diesel	6	9,070	3,028	1,429	1,880	1,001	284	1,190	58	199
Pump Equip Other	6	60	20	9	12	7	2	8	0	1
Pump Equip WT	6	945	316	149	196	104	30	124	6	21
WT Equip Non-Media	2	560,232	190,759	90,253	119,441	63,866	17,927	75,855	504	1,625
WT Equip Non Media Ctr 1 &	2	100	34	16	21	11	3	14	0	0
WT Equip Filter Media	2	758	258	122	162	86	24	103	1	2
Dist Reservoirs & Standpipe	5	39,045	11,725	5,365	6,247	4,982	1,062	4,229	1,210	4,225
Elevated Tanks & Standpipes	5	8,199	2,462	1,127	1,312	1,046	223	888	254	887
Ground Level Facilities	5	0	0	0	0	0	0	0	0	0
TD Mains Not Classified by	7	22,237	9,028	4,181	2,439	485	832	576	1,047	3,649
TD Mains 4" & Less	4	15,494	6,644	3,065	1,343	0	609	0	855	2,978
TD Mains 6 to 8"	4	101,402	43,481	20,057	8,792	0	3,985	0	5,597	19,489
TD Mains 10 to 16"	3	199,465	63,390	29,960	39,694	21,223	5,964	25,212	3,132	10,891

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)		Large Industrial (7)		Public Authorities (8)		Sales for Resale (9)		Fire Protection (10)		Public (11)
TD Mains 18" & Grtr Services	3	71,909	22,853	10,801	14,310	7,651	2,150	9,089	1,129	3,926								
Meters Bronze Case	10	100,194	82,931	9,739	731	40	962	140	5,651	0								
Meters Plastic Case	9	71,434	56,561	9,929	2,214	436	1,643	650	0	0								
Meters Other	9	1,570	1,243	218	49	10	36	14	0	0								
Meters Other-Rem Rdr Units	9	4,480	3,547	623	139	27	103	41	0	0								
Meter Installations	9	1,587	1,257	221	49	10	37	14	0	0								
Meter Installation Other	9	68,407	54,165	9,509	2,121	417	1,573	623	0	0								
Meter Vaults	9	0	0	0	0	0	0	0	0	0								
Hydrants	8	5,083	4,025	707	158	31	117	46	0	0								
Other P/E Intangible	17	54,622	0	0	0	0	0	0	0	0								54,622
Other P/E WT Res Hand Equip	2	906	345	140	158	81	27	96	10	49								
Other P/E TD	7	43,771	14,904	7,052	9,332	4,990	1,401	5,927	39	127								
Other P/E CPS	15	0	0	0	0	0	0	0	0	0								
Office Furniture & Equip	15	9,990	4,947	1,346	1,129	643	236	656	202	831								
Comp & Periph Equip	15	12,764	6,321	1,719	1,442	822	301	839	258	1,062								
Computer Software	15	82,002	40,607	11,046	9,266	5,281	1,935	5,388	1,656	6,823								
Comp Software Personal	15	136,072	67,393	18,329	15,376	8,763	3,211	8,940	2,749	11,321								
Comp Software Customized	15	7,663	3,795	1,032	866	493	181	503	155	638								
Data Handling Equipment	15	8,527	4,223	1,149	984	549	201	560	172	709								
Other Office Equipment	15	3,677	1,821	495	416	237	87	242	74	306								
Trans Equip Lt Duty Trks	15	16,817	8,328	2,265	1,900	1,083	397	1,105	340	1,399								
Trans Equip Hvy Duty Trks	15	4,939	2,446	665	558	318	117	324	100	411								
Trans Equip Autos	15	0	0	0	0	0	0	0	0	0								
Trans Equip Other	15	3,218	1,594	433	364	207	76	211	65	268								
Stores Equipment	15	13	6	2	1	1	0	1	0	1								
Tools, Shop, Garage Equip	15	6,447	3,193	868	729	415	152	424	130	536								
Tools, Shop, Garage Equip Oth	15	54,427	26,952	7,331	6,150	3,505	1,284	3,576	1,099	4,528								
Laboratory Equipment	2	0	0	0	0	0	0	0	0	0								
Laboratory Equip Other	2	52,045	17,721	8,384	11,096	5,933	1,665	7,047	47	151								
Power Operated Equipment	2	2,758	939	444	588	314	88	373	2	8								
Comm Equip Non-Telephone	15	2,191	1,085	295	248	141	52	144	44	182								
Remote Control & Instr	15	4,589	2,272	618	519	296	108	301	93	382								
Comm Equip Telephone	15	750	371	101	85	48	18	49	15	62								
Misc Equipment	15	1,124	557	151	127	72	27	74	23	94								
	15	10,081	4,992	1,358	1,139	649	238	662	204	839								
Total Depreciation Expense		3,296,664	1,286,796	501,177	574,589	302,163	96,588	352,811	31,870	150,669								
Amort-Other UP	18	7,028	2,682	1,083	1,226	627	210	739	76	385								
Amort-Intangible Fin	2	(77,521)	(26,396)	(12,489)	(16,527)	(8,837)	(2,481)	(10,496)	(70)	(225)								
Amort-Property Losses	2	238,339	81,154	38,396	50,814	27,171	7,627	32,271	215	691								

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)		Large Industrial (7)		Public Authorities (8)		Sales for Resale (9)		Fire Protection Private (10)		Public (11)		
Taxes Other Than Income																				
Utility Reg Assessment Fee	19	170,006	72,032	24,889	26,436	14,179	4,658	15,794	2,193	9,826										
Property Taxes	18	1,032,884	394,149	159,167	180,135	92,133	30,883	108,659	11,155	56,602										
FUTA	16	2,177	1,137	304	236	109	53	126	39	173										
FICA	16	147,574	77,107	20,601	16,012	7,364	3,601	8,545	2,642	11,703										
SUTA	16	6,132	3,204	856	665	306	150	355	110	486										
Other Taxes & Licenses	15	36,123	17,888	4,866	4,082	2,326	853	2,373	730	3,005										
Gross Receipts Tax	19	0	0	0	0	0	0	0	0	0										
Total Taxes, Other Than Income		1,394,896	565,517	210,683	227,566	116,417	40,197	135,852	16,868	81,795										
Income Taxes	18	3,117,843	1,189,769	480,460	543,752	278,112	93,224	327,997	33,673	170,858										
Utility Income Available for Return	18	7,420,952	2,831,835	1,143,569	1,294,214	661,949	221,886	780,684	80,146	406,668										
Total Cost of Service		25,648,771	10,846,355	3,759,455	4,002,060	2,146,521	704,296	2,393,302	327,724	1,469,057										
Less: Other Water Revenues	19	316,832	134,242	46,384	49,267	26,424	8,681	29,434	4,087	18,313										
Total Cost of Service Related to Sales of Water		25,331,939	10,712,114	3,713,071	3,952,793	2,120,097	695,615	2,363,868	323,637	1,450,744										
Reallocation of Public Fire	20	0	1,159,289	203,539	45,408	8,850	33,657	0	0	(1,450,744)										
Total		\$ 25,331,939	\$ 11,871,403	\$ 3,916,611	\$ 3,998,201	\$ 2,128,946	\$ 729,272	\$ 2,363,868	\$ 323,637	\$ -										

**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 (1)	Average Daily Consumption, Thousand Gallons (2)	Allocation Factor (3)
Residential	4,582	0.2919
Commercial	2,370	0.1510
Industrial	3,652	0.2326
Large Industrial	2,335	0.1487
Other Public Authority	471	0.0300
Sales for Resale	2,200	0.1401
Private Fire Protection	20	0.0013
Public Fire Protection	69	0.0044
Total	15,699	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 0.6667	Allocation Factor (4)	Weighted Factor (5)=(4)x 0.3333	
Residential	0.2919	0.1946	0.4378	0.1459	0.3405
Commercial	0.1510	0.1007	0.1811	0.0604	0.1611
Industrial	0.2326	0.1551	0.1744	0.0581	0.2132
Large Industrial	0.1487	0.0991	0.0446	0.0149	0.1140
Other Public Authority	0.0300	0.0200	0.0360	0.0120	0.0320
Sales for Resale	0.1401	0.0934	0.1261	0.0420	0.1354
Private Fire Protection	0.0013	0.0009			0.0009
Public Fire Protection	0.0044	0.0029			0.0029
Total	1.0000	0.6667	1.0000	0.3333	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. 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, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	4,582	1.0	4,582	0.4378
Commercial	2,370	0.8	1,896	0.1811
Industrial	3,652	0.5	1,826	0.1744
Large Industrial	2,335	0.2	467	0.0446
Other Public Authority	471	0.8	377	0.0360
Sales for Resale	2,200	0.6	1,320	0.1261
Total	15,610		10,468	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 2007 (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 (2)	Weighted Factor (3)=(2) X 0.6221	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.3111	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0668	
Residential	0.2919	0.1816	0.4378	0.1362			0.3178
Commercial	0.1510	0.0939	0.1811	0.0563			0.1502
Industrial	0.2326	0.1447	0.1744	0.0543			0.1990
Large Industrial	0.1487	0.0925	0.0446	0.0139			0.1064
Other Public Authority	0.0300	0.0187	0.0360	0.0112			0.0299
Sales for Resale	0.1401	0.0872	0.1261	0.0392			0.1264
Private Fire Protection	0.0013	0.0008				0.2233	0.0149
Public Fire Protection	0.0044	0.0027				0.7767	0.0519
Total	<u>1.0000</u>	<u>0.6221</u>	<u>1.0000</u>	<u>0.3111</u>	<u>1.0000</u>	<u>0.0668</u>	<u>1.0000</u>

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 2008 of 17.892 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	17,891,608	0.6221
Maximum Day Extra Capacity	<u>0.50</u>	<u>8,945,804</u>	<u>0.3111</u>
Subtotal	<u><u>1.50</u></u>	26,837,412	0.9332
Fire Protection		<u>1,920,000</u>	<u>0.0668</u>
Total		<u><u>28,757,412</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 (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3782	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.3782	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.2436	Allocation Factor (9)=(4)+(6)+(8)		
Residential	190.9	0.5172	0.1956	0.6166	0.2332			0.4288		
Commercial	98.8	0.2678	0.1013	0.2552	0.0965			0.1978		
Industrial	56.0	0.1518	0.0574	0.0775	0.0293			0.0867		
Other Public Authority	19.6	0.0531	0.0201	0.0507	0.0192			0.0393		
Private Fire Protection	0.8	0.0022	0.0008			0.2233	0.0544	0.0552		
Public Fire Protection	2.9	0.0079	0.0030			0.7767	0.1892	0.1922		
Total	369.0	1.0000	0.3782	1.0000	0.3782	1.0000	0.2436	1.0000		

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

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 2008 of 17.892 MGD. The system demand for fire protection is 8,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	12,425	0.3782
Maximum Hour Extra Capacity	1.00	12,425	0.3782
Subtotal	<u>2.00</u>	24,850	0.7564
Fire Protection		8,000	0.2436
Total		<u>32,850</u>	<u>1.0000</u>

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	190.9	3.5	668.2	0.6166
Commercial	98.8	2.8	276.6	0.2552
Industrial	56.0	1.5	84.0	0.0775
Other Public Authority	19.6	2.8	54.9	0.0507
Total	<u>365.3</u>		<u>1,083.7</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 (1)	Average Hourly Consumption		Maximum Hour Extra Capacity		Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4316	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1368	
Residential	190.9	0.2918	0.4038	0.1743			0.3003
Commercial	98.8	0.1510	0.1672	0.0722			0.1374
Industrial	152.2	0.2327	0.1380	0.0596			0.1600
Large Industrial	97.3	0.1487	0.1470	0.0634			0.1276
Other Public Authority	19.6	0.0300	0.0332	0.0143			0.0272
Sales for Resale	91.7	0.1402	0.1108	0.0478			0.1083
Private Fire Protection	0.8	0.0012			0.2233	0.0305	0.0310
Public Fire Protection	2.9	0.0044			0.7767	0.1063	0.1082
Total	654.2	1.0000	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.

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

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

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

$$\text{Fire Protection Weight} = \frac{8,000 \text{ GPM} \times 60 \text{ Min.} \times 4 \text{ Hrs.}}{14,040,000 \text{ Gallons}} = 0.1368 \quad \text{updated 2009}$$

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

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	<u>2.00</u>	<u>100.00</u>	<u>0.8632</u>

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	190.9	3.5	668.2	0.4038
Commercial	98.8	2.8	276.6	0.1672
Industrial	152.2	1.5	228.3	0.1380
Large Industrial	97.3	2.5	243.3	0.1470
Other Public Authority	19.6	2.8	54.9	0.0332
Sales for Resale	91.7	2.0	183.4	0.1108
Total	<u>650.5</u>		<u>1654.7</u>	<u>1.0000</u>

* 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 POWER AND PUMPING FACILITIES.

Factors are based on the weighting of the maximum daily consumption, Factor 2, the maximum daily consumption with fire, Factor 3, and the maximum hour consumption, Factor 4, for each customer classification, as follows:

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.6539	(4)	(5)=(4)X 0.3378	(6)	(7)=(6)X 0.0083	(8)=(3)+ (5)+(7)
Residential	0.3405	0.2228	0.3178	0.1075	0.4288	0.0036	0.3339
Commercial	0.1611	0.1053	0.1502	0.0507	0.1978	0.0016	0.1576
Industrial	0.2132	0.1394	0.1990	0.0672	0.0867	0.0007	0.2073
Large Industrial	0.1140	0.0745	0.1064	0.0359	0.0000	0.0000	0.1104
Other Public Authority	0.0320	0.0209	0.0299	0.0101	0.0393	0.0003	0.0313
Sales for Resale	0.1354	0.0885	0.1264	0.0427	0.0000	0.0000	0.1312
Private Fire Protection	0.0009	0.0006	0.0157	0.0053	0.0552	0.0005	0.0064
Public Fire Protection	0.0029	0.0019	0.0546	0.0184	0.1922	0.0016	0.0219
Total	1.0000	0.6539	1.0000	0.3378	1.0000	0.0083	1.0000

The weighting of the factors is based on the horsepower of pumps associated with maximum day facilities, maximum day and fire facilities, and maximum hour facilities, as follows:

	Horsepower of Pumps	Weight
Associated with Maximum Day	2,350	0.6539
Associated with Maximum Day and Fire	1,214	0.3378
Associated with Maximum Hour	30	0.0083
Total	3,594	1.0000

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 7. ALLOCATION OF COSTS ASSOCIATED WITH TRANSMISSION AND DISTRIBUTION MAINS.

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

Customer Classification	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 0.2046	(4)	(5)=(4)X 0.7954	(6)=(3)+(5)
Residential	0.3178	0.0650	0.4288	0.3410	0.4060
Commercial	0.1502	0.0307	0.1978	0.1573	0.1880
Industrial	0.1990	0.0407	0.0867	0.0690	0.1097
Large Industrial	0.1064	0.0218	0.0000	0.0000	0.0218
Other Public Authority	0.0299	0.0061	0.0393	0.0313	0.0374
Sales for Resale	0.1264	0.0259	0.0000	0.0000	0.0259
Private Fire Protection	0.0157	0.0032	0.0552	0.0439	0.0471
Public Fire Protection	0.0546	0.0112	0.1922	0.1529	0.1641
Total	1.0000	0.2046	1.0000	0.7954	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	679,140	0.2046
Distribution Mains	2,639,514	0.7954
Total	3,318,654	1.0000

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	29,430	0.7918
Commercial	5,167	0.1390
Industrial	1,154	0.0310
Large Industrial	226	0.0061
Other Public Authority	856	0.0230
Sales for Resale	339	0.0091
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u><u>37,172</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 (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Large Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)=(2)X(13)	Number of Meters (15)	Weighting (16)
5/8	1.0	26,532	26,532	1,874	1,874	6	6	-	0	40	40	0	0	28,452	28,452
3/4	1.3	1,304	1,695	158	205	4	5	-	0	14	18	0	0	1,480	1,923
1	1.7	646	1,098	394	670	19	32	-	0	36	61	0	0	1,095	1,861
1-1/2	3.5	6	21	85	298	2	7	-	0	18	63	0	0	111	389
2	4.3	15	65	320	1,376	67	288	-	0	87	374	11	47	500	2,150
3	19.0	1	19	13	247	3	57	-	0	4	76	0	0	21	399
4	29.3	0	0	12	352	16	469	-	0	6	176	5	147	39	1,144
6	48.4	0	0	3	145	6	290	-	0	1	48	3	145	13	628
8	112.9	0	0	0	0	0	0	2	226	0	0	0	0	2	226
Total		28,504	29,430	2,859	5,167	123	1,154	2	226	206	856	19	339	31,713	37,172

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	28,635	0.8277
Commercial	3,363	0.0972
Industrial	251	0.0073
Large Industrial	14	0.0004
Other Public Authority	333	0.0096
Sales for Resale	49	0.0014
Private Fire Protection	1,951	0.0564
Total	<u>34,596</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Residential		Commercial		Industrial		Large Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(13)	Number of Services (15)	Weighting (16)
3/4	1.00	27,836	27,836	2,032	2,032	10	10	0	0	54	54	0	0	0	0	29,932	29,932
1	1.17	646	756	394	461	19	22	0	0	36	42	0	0	0	0	1,095	1,281
1-1/2	1.58	6	9	85	134	2	3	0	0	18	28	0	0	0	0	111	174
2	2.04	15	31	320	653	67	137	0	0	87	177	11	22	9	18	509	1,038
3	2.73	1	3	13	35	3	8	0	0	4	11	0	0	1	3	22	60
4	2.88	0	0	12	35	16	46	0	0	6	17	5	14	84	242	123	354
6	4.24	0	0	3	13	6	25	0	0	1	4	3	13	160	678	173	733
8	6.98	0	0	0	0	0	0	2	14	0	0	0	0	101	705	101	719
10	9.50	0	0	0	0	0	0	0	0	0	0	0	0	18	171	18	171
12	12.16	0	0	0	0	0	0	0	0	0	0	0	0	11	134	11	134
Total		28,504	28,635	2,859	3,363	123	251	2	14	206	333	19	49	384	1,951	32,095	34,596

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 11. ALLOCATION OF TRANSMISSION AND DISTRIBUTION OPERATION SUPERVISION AND ENGINEERING AND MISCELLANEOUS EXPENSES.

Factors are based on transmission and distribution operation expenses other than those being allocated, as follows:

Customer Classification <u>(1)</u>	Transmission & Distribution Operating Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$ 299,266	0.5832
Commercial	81,010	0.1579
Industrial	36,022	0.0702
Large Industrial	7,041	0.0137
Other Public Authority	14,531	0.0283
Sales for Resale	8,686	0.0169
Private Fire Protection	19,450	0.0379
Public Fire Protection	47,132	0.0919
Total	<u>513,139</u>	<u>1.0000</u>

FACTOR 12. ALLOCATION OF TRANSMISSION AND DISTRIBUTION MAINTENANCE SUPERVISION AND ENGINEERING, STRUCTURES AND IMPROVEMENTS, AND OTHER EXPENSES.

Factors are based on transmission and distribution maintenance expenses other than those being allocated, as follows:

Customer Classification <u>(1)</u>	Transmission & Distribution Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$ 81,597	0.3849
Commercial	26,798	0.1263
Industrial	13,339	0.0629
Large Industrial	2,659	0.0125
Other Public Authority	5,077	0.0239
Sales for Resale	3,229	0.0152
Private Fire Protection	5,617	0.0265
Public Fire Protection	73,763	0.3478
Total	<u>\$212,079</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
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FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS, cont.

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,504	0.8865
Commercial	2,859	0.0889
Industrial	123	0.0038
Large Industrial	1	0.0001
Other Public Authority	206	0.0064
Sales for Resale	19	0.0006
Private Fire Protection	441	0.0137
Public Fire Protection	0	0.0000
	<hr/>	<hr/>
Total	<u>32,153</u>	<u>1.0000</u>

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	28,504	0.8987
Commercial	2,859	0.0902
Industrial	123	0.0039
Large Industrial	2	0.0001
Other Public Authority	206	0.0065
Sales for Resale	19	0.0006
	<hr/>	<hr/>
Total	<u>31,713</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

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

FACTOR 15. 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	\$1,775,197	0.4952
Commercial	482,866	0.1347
Industrial	405,251	0.1130
Large Industrial	230,904	0.0644
Other Public Authority	84,684	0.0236
Sales for Resale	235,661	0.0657
Private Fire Protection	72,297	0.0202
Public Fire Protection	298,313	0.0832
Total	<u>\$3,585,172</u>	<u>1.0000</u>

FACTOR 15A. 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	\$4,914,998	0.4795
Commercial	1,396,576	0.1362
Industrial	1,326,427	0.1294
Large Industrial	768,921	0.0750
Other Public Authority	247,044	0.0241
Sales for Resale	773,443	0.0755
Private Fire Protection	164,947	0.0161
Public Fire Protection	658,215	0.0642
Total	<u>\$10,250,570</u>	<u>1.0000</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	\$1,106,542	0.5225
Commercial	295,574	0.1396
Industrial	229,900	0.1085
Large Industrial	105,667	0.0499
Other Public Authority	51,733	0.0244
Sales for Resale	122,695	0.0579
Private Fire Protection	37,865	0.0179
Public Fire Protection	168,026	0.0793
Total	<u>\$2,118,002</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	\$34,925,863	0.3803
Commercial	14,165,363	0.1543
Industrial	16,065,173	0.1749
Large Industrial	8,216,482	0.0895
Other Public Authority	2,754,507	0.0300
Sales for Resale	9,700,226	0.1056
Private Fire Protection	988,130	0.0108
Public Fire Protection	5,014,421	0.0546
Total	<u>\$91,830,164</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	\$31,777,199	0.3816
Commercial	12,833,136	0.1541
Industrial	14,522,204	0.1744
Large Industrial	7,428,746	0.0892
Other Public Authority	2,493,357	0.0299
Sales for Resale	8,764,867	0.1052
Private Fire Protection	902,006	0.0108
Public Fire Protection	4,566,389	0.0548
Total	<u>\$83,287,904</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	\$10,675,937	0.4237
Commercial	3,690,216	0.1464
Industrial	3,918,486	0.1555
Large Industrial	2,101,780	0.0834
Other Public Authority	690,897	0.0274
Sales for Resale	2,341,459	0.0929
Private Fire Protection	324,792	0.0129
Public Fire Protection	1,456,188	0.0578
Total	<u>\$25,199,754</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)			Commercial (5)			Industrial (6)			Large Industrial (7)			Public Authorities (8)		Sales for Resale (9)		Fire Protection (10)		Public (11)
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RATE BASE																					
Organization	17	\$ 13,672	\$ 5,199	\$ 2,110	\$ 2,391	\$ 1,224	\$ 410	\$ 1,444	\$ 148	\$ 746											
Franchises	17	0	0	0	0	0	0	0	0	0											
Land & Ld Rights SS	2	1,414,424	481,611	227,864	301,555	161,244	45,262	191,513	1,273	4,102											
Land & Ld Rights P	6	13,065	4,363	2,059	2,708	1,442	409	1,714	84	286											
Land & Ld Rights WT	2	0	0	0	0	0	0	0	0	0											
Land & Ld Rights TD	7	841,125	341,497	158,132	92,271	18,337	31,458	21,785	39,617	138,029											
Land & Land Rights AG	15	8,112	4,017	1,093	917	522	191	533	164	675											
Struct & Imp SS	2	1,795,492	611,365	289,254	382,799	204,686	57,456	243,110	1,616	5,207											
Struct & Imp P	6	4,186,458	1,397,858	659,786	867,853	462,185	131,036	549,263	26,793	91,683											
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0	0											
Struct & Imp WT	2	19,885,159	6,770,897	3,203,499	4,239,516	2,266,908	636,325	2,692,450	17,897	57,667											
Struct & Imp WT Nth Pit (ST	2	0	0	0	0	0	0	0	0	0											
Struct & Imp WT Ctrl Pit 1	2	0	0	0	0	0	0	0	0	0											
Struct & Imp WT Ctrl Pit 3	2	0	0	0	0	0	0	0	0	0											
Struct & Imp WT Sth Pit (ST	2	0	0	0	0	0	0	0	0	0											
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0	0											
Struct & Imp TD	7	335,041	136,027	62,988	36,754	7,304	12,531	8,678	15,780	54,980											
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0	0											
Struct & Imp AG	15	27,373	13,555	3,687	3,093	1,763	646	1,798	553	2,277											
Struct & Imp Offices	15	402,155	199,147	54,170	45,444	25,899	9,491	26,422	8,124	33,459											
Gen Structures HVAC	15	0	0	0	0	0	0	0	0	0											
Struct & Imp Leasehold	15	33	16	4	4	2	1	2	1	3											
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0	0											
Struct & Imp Store,Shop,Gar	15	159,555	79,012	21,492	18,030	10,275	3,765	10,483	3,223	13,275											
Struct & Imp Misc	15	692,024	342,690	93,216	78,199	44,566	16,332	45,466	13,979	57,576											
Collect & Impounding	1	0	0	0	0	0	0	0	0	0											
Lake, River & Other Intakes	2	685,568	233,436	110,445	146,163	78,155	21,938	92,826	617	1,988											
Wells & Springs	2	66,177	22,533	10,661	14,109	7,544	2,118	8,960	60	192											
Supply Mains	2	7,962,395	2,711,195	1,282,742	1,697,583	907,713	254,797	1,078,108	7,166	23,091											
Power Generation Equip	6	19,285	6,439	3,039	3,998	2,129	604	2,530	123	422											
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0	0											
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0	0											
Pump Equip Steam	6	0	0	0	0	0	0	0	0	0											
Pump Equip Electric	6	4,259,738	1,422,327	671,335	883,044	470,275	133,330	558,878	27,262	93,288											
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0	0											
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0	0											
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0	0											
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0	0											
Pump Equip Diesel	6	374,322	124,986	58,993	77,597	41,325	11,716	49,111	2,396	8,198											
Pump Equip Diesel Straitman)	6	0	0	0	0	0	0	0	0	0											
Pump Equip Diesel Ctrl Pit	6	0	0	0	0	0	0	0	0	0											
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0	0											
Pump Equip Other	6	2,474	826	390	513	273	77	325	16	54											
Pump Equip WT	6	38,781	12,949	6,112	8,039	4,281	1,214	5,088	248	849											
Pump Equip TD	6	0	0	0	0	0	0	0	0	0											
WT Equip Non-Media	2	14,322,735	4,876,891	2,307,393	3,053,607	1,632,792	458,328	1,939,298	12,890	41,536											

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)			Commercial (5)		Industrial (6)		Large Industrial (7)		Public Authorities (8)		Sales for Resale (9)		Fire Protection Private (10)		Public (11)		
WT Equip Non Media Ctrl 1 &	2	3,441				554	734	392				110	466	3	10					
WT Equip Filter Media	2	25,812	1,172			4,158	5,503	2,943				826	3,495	23	75					
Dist Reservoirs & Standpipe	5	608,526	8,789			83,612	97,364	77,648				16,552	65,903	18,864	65,843					
Elevated Tanks & Standpipes	5	281,548	182,740			84,549	45,048	35,926				7,658	30,492	8,728	30,463					
Ground Level Facilities	5	0	0			0	0	0				0	0	0	0					
TD Mains Not Classified by	7	(2,549,325)	(1,035,026)			(479,273)	(279,661)	(55,575)				(95,345)	(66,028)	(120,073)	(418,344)					
TD Mains 4" & Less	4	882,490	378,411			174,556	76,512	0				34,682	0	48,713	169,614					
TD Mains 6 to 8"	4	7,912,355	3,392,818			1,565,064	686,001	0				310,956	0	436,762	1,520,755					
TD Mains 10 to 16"	3	10,313,098	3,277,503			1,549,027	2,052,307	1,097,314				308,362	1,303,576	161,916	563,095					
TD Mains 18" & Grtr	3	3,646,739	1,158,934			547,740	725,701	388,013				109,038	460,948	57,254	199,112					
Fire Mains	8	0	0			0	0	0				0	0	0	0					
Services	10	2,816,475	2,331,196			273,761	20,560	1,127				27,038	3,943	158,849	0					
Meters Bronze Case	9	3,244,512	2,569,005			450,987	100,580	19,792				74,624	29,525	0	0					
Meters Plastic Case	9	64,175	50,814			8,920	1,989	391				1,476	584	0	0					
Meters Other	9	(906,853)	(638,867)			(112,153)	(25,012)	(4,922)				(18,558)	(7,342)	0	0					
Meters Other-Rem Rdr Units	9	70,412	55,752			9,787	2,183	430				1,619	641	0	0					
Meter Installations	9	2,195,284	1,738,226			305,144	68,054	13,391				50,492	19,977	0	0					
Meter Installation Other	9	0	0			0	0	0				0	0	0	0					
Meter Vaults	9	223,426	176,908			31,056	6,926	1,363				5,139	2,033	0	0					
Hydrants	8	2,102,937	0			0	0	0				0	0	0	0					
Other P/E Intangible	17	65,376	24,863			10,088	11,434	5,851				1,961	6,904	706	2,102,937					
Other P/E WT Res Hand Equip	2	1,261,743	429,624			203,267	269,004	143,839				40,376	170,840	1,136	3,570					
Other P/E TD	7	0	0			0	0	0				0	0	0	0					
Other P/E CPS	15	356,612	176,594			48,036	40,297	22,966				8,416	23,429	7,204	29,670					
Office Furniture & Equip	15	(193,491)	(95,817)			(26,063)	(21,864)	(12,461)				(4,566)	(12,712)	(3,909)	(16,098)					
Comp & Periph Equip	15	329,674	163,254			44,407	37,253	21,231				7,780	21,660	6,659	27,429					
Computer Software	15	109,891	54,418			14,802	12,418	7,077				2,593	7,220	2,220	9,143					
Comp Software Personal	15	30,671	15,188			4,131	3,466	1,975				724	2,015	620	2,552					
Comp Software Customized	15	25,698	12,725			3,461	2,904	1,655				606	1,688	519	2,138					
Comp Software Other	15	0	0			0	0	0				0	0	0	0					
Data Handling Equipment	15	23,513	11,644			3,167	2,657	1,514				555	1,545	475	1,956					
Other Office Equipment	15	114,404	56,653			15,410	12,928	7,368				2,700	7,516	2,311	9,518					
Trans Equip Lt Duty Trks	15	184,190	91,211			24,810	20,814	11,862				4,347	12,101	3,721	15,325					
Trans Equip Hwy Duty Trks	15	43,340	21,462			5,838	4,897	2,791				1,023	2,847	875	3,606					
Trans Equip Autos	15	18,941	9,380			2,551	2,140	1,220				447	1,244	383	1,576					
Trans Equip Other	15	(238,175)	(117,944)			(32,082)	(26,914)	(15,328)				(5,621)	(15,648)	(4,811)	(19,816)					
Stores Equipment	15	130,076	64,414			17,521	14,699	8,377				3,070	8,546	2,628	10,822					
Tools,Shop, Garage Equip	15	638,377	316,124			85,989	72,137	41,111				15,066	41,941	12,895	53,113					
Tools,Shop, Garage Equip Oth	15	0	0			0	0	0				0	0	0	0					
Laboratory Equipment	2	250,944	85,447			40,427	53,501	28,608				8,030	33,978	226	728					
Laboratory Equip Other	2	17,062	5,810			2,749	3,638	1,945				546	2,310	15	49					
Power Operated Equipment	15	62,983	31,189			8,484	7,117	4,056				1,486	4,138	1,272	5,240					
Comm Equip Non-Telephone	15	36,997	18,321			4,983	4,181	2,383				873	2,431	747	3,078					
Remote Control & Instr	15	11,247	5,570			1,515	1,271	724				265	739	227	936					
Comm Equip Telephone	15	15,310	7,581			2,062	1,730	986				361	1,006	309	1,274					
Misc Equipment	15	73,614	36,453			9,916	8,318	4,741				1,737	4,836	1,487	6,125					
Other Tangible Property	17	0	0			0	0	0				0	0	0	0					
Total Utility Plant in Service		91,909,212	34,955,925			14,177,560	16,078,998	8,223,556				2,756,878	9,708,573	988,984	5,018,737					

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2009, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Large Industrial (7)	Public Authorities (8)	Sales for Resale (9)	Private (10)	Public (11)
Other Rate Base Items										
Add:										
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0	0
Cash Working Capital	15A	199,000	95,421	27,104	25,751	14,925	4,796	15,025	3,204	12,776
Materials and Supplies	15	197,803	97,952	26,644	22,352	12,739	4,668	12,996	3,996	16,457
Prepayments	15	95,124	47,105	12,813	10,749	6,126	2,245	6,250	1,922	7,914
OPEB's Contributed to External Fund	16	593,715	310,216	82,883	64,418	29,626	14,487	34,376	10,627	47,082
Pension / OPEB Tracker	16	112,628	58,848	15,723	12,220	5,620	2,748	6,521	2,016	8,931
Regulatory Deferrals	17	128,650	48,926	19,851	22,501	11,514	3,860	13,585	1,389	7,024
Less:										
Accumulated Deferred ITC (3%)	17	(18,085)	(6,878)	(2,790)	(3,163)	(1,619)	(543)	(1,910)	(195)	(987)
Deferred Income Taxes	17	(9,551,218)	(3,632,328)	(1,473,753)	(1,670,508)	(854,834)	(286,537)	(1,008,609)	(103,153)	(521,497)
Pensions	16	(378,925)	(197,988)	(52,898)	(41,113)	(18,908)	(9,246)	(21,940)	(6,783)	(30,049)
Total Other Rate Base Elements		(8,621,308)	(3,178,726)	(1,344,424)	(1,556,794)	(794,811)	(263,522)	(943,706)	(86,977)	(452,348)
Total Original Cost Measure of Value		<u>\$ 83,287,904</u>	<u>\$ 31,777,199</u>	<u>\$ 12,833,136</u>	<u>\$ 14,522,204</u>	<u>\$ 7,428,746</u>	<u>\$ 2,493,357</u>	<u>\$ 8,764,867</u>	<u>\$ 902,006</u>	<u>\$ 4,566,389</u>

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	29,430	0.7991
Commercial	5,167	0.1403
Industrial	1,154	0.0313
Large Industrial	226	0.0061
Other Public Authority	856	0.0232
Sales for Resale	0	0.0000
Private Fire	<u>0</u>	<u>0.0000</u>
 Total	 <u><u>36,833</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 1990-2008

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

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	9	36	
3 -inch	9.00	1	9	
4 -inch	16.00	84	1,344	
6 -inch	36.00	160	5,760	
8 -inch	64.00	101	6,464	
10 -inch	100.00	18	1,800	
12 -inch	144.00	11	1,584	
Private Hydrants	20.25	57	1,160	
Total Private Fire Protection		<u>441.3</u>	<u>18,157</u>	0.2233
<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	2,468	49,977
5 1/4" Valve	2- 2-1/2" & 1- 4 1/2"	26.50	19	504
5" Valve	2- 2-1/2" & 1- 4 1/2"	25.00	465	11,625
5 1/2" Valve	2- 2-1/2" & 1- 4 1/2"	26.50	4	106
6" Valve	2- 2-1/2" & 1- 4 1/2"	26.50	34	901
2" Valve	2- 2-1/2" & 1- 4 1/2"	4.00	1	4
2 1/4" Valve	2- 2-1/2" & 1- 4 1/2"	5.06	1	5
3" Valve	2- 2-1/2" & 1- 4 1/2"	9.00	1	9
3 1/4" Valve	2- 2-1/2" & 1- 4 1/2"	10.56	1	11
Total Public Fire Protection		<u>2,994</u>	<u>63,142</u>	<u>0.7767</u>
Total Fire Protection		<u><u>3,435</u></u>	<u><u>81,299</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY
ST. JOSEPH DISTRICT

CALCULATION OF CUSTOMER CHARGE

(1) Cost Related to Meters	\$ 2,793,793	
(2) Meter Equivalents X 12	446,064	
(3) Cost per Bill - Meter related		\$ 6.26
(4) Cost Related to Services	784,046	
(5) Service Equivalents X 12	415,152	
(6) Cost per Bill - Services related		\$ 1.89
(7) Cost Related to Billing and Collecting	2,371,213	
(8) Number of Customers X 12	385,840	
(9) Cost per Bill - Billing and Collecting		\$ 6.15
(10) Total Customer Charge (3)+(6)+(9)		\$ 14.30