

Aqua Missouri, Inc.
Income Statement
All Missouri Companies
Water and Wastewater
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004		Pro forma Test Year	Required Annual Revenues		
		Actual	Adjustments		Revenue Req.	Proforma Rates	
1	OPERATING REVENUES	<u>\$787,618</u>	<u>\$34,364</u>	<u>\$821,982</u>	<u>\$966,585</u>	<u>\$1,788,567</u>	117.59%
	OPERATING EXPENSES:						
2	OPER & MAINT	942,735	161,224	1,103,959		1,103,959	
3	DEPRECIATION	133,386	72,770	206,156		206,156	
	Amortization	(56,449)	0	(56,449)		(56,449)	
4	TAXES OTHER THAN INCOME	<u>87,128</u>	<u>0</u>	<u>87,128</u>		<u>87,128</u>	
5	TOTAL OPERATING EXPENSES	<u>1,106,801</u>	<u>233,994</u>	<u>1,340,794</u>	<u>0</u>	<u>1,340,794</u>	
6	OPERATING INCOME BEFORE INCOME TAXES	<u>(319,182)</u>	<u>(199,630)</u>	<u>(518,812)</u>	966,585	447,773	
	INCOME TAXES:						
7	INCOME TAXES	<u>(101,236)</u>	<u>(138,588)</u>	<u>(239,824)</u>	377,573	137,749	
8	TOTAL INCOME TAXES	<u>(101,236)</u>	<u>(138,588)</u>	<u>(239,824)</u>	377,573	137,749	
9	OPERATING INCOME	<u>(\$217,946)</u>	<u>(61,042)</u>	<u>(278,988)</u>	<u>589,013</u>	<u>310,025</u>	
10	RATE BASE	<u>3,886,899</u>	<u>20,153</u>	<u>3,907,052</u>		<u>3,907,052</u>	
11	RATE OF RETURN	-5.61%		-7.14%		7.94%	
	COST OF CAPITAL:						
		RATIOS	COST RATE	WEIGHTED COST			
	Long Term Debt	50.00%	4.87%	2.44%			
	Common Equity	50.00%	11.00%	5.50%			
	TOTAL	<u>100.00%</u>		<u>7.94%</u>			

Aqua Missouri, Inc.
All Missouri Companies - Water
Income Statement
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004 Actual	Adjustments	Pro forma Test Year	Required Annual Revenues Revenue Req.	Proforma Rates	
1	OPERATING REVENUES	<u>\$323,945</u>	<u>\$5,174</u>	<u>\$329,119</u>	<u>\$395,674</u>	<u>\$724,793</u>	120.22%
	OPERATING EXPENSES:						
2	OPER & MAINT	389,953	60,803	450,756		450,756	
3	DEPRECIATION	38,371	52,770	91,141		91,141	
	Amortization	(53,615)	0	(53,615)		(53,615)	
4	TAXES OTHER THAN INCOME	<u>21,341</u>	<u>0</u>	<u>21,341</u>		<u>21,341</u>	
5	TOTAL OPERATING EXPENSES	<u>396,051</u>	<u>113,573</u>	<u>509,623</u>	<u>0</u>	<u>509,623</u>	
6	OPERATING INCOME BEFORE INCOME TAXES	<u>(72,105)</u>	<u>(108,399)</u>	<u>(180,504)</u>	<u>395,674</u>	<u>215,170</u>	
	INCOME TAXES:						
7	INCOME TAXES	<u>(17,428)</u>	<u>(70,939)</u>	<u>(88,367)</u>	<u>154,560</u>	<u>66,193</u>	
8	TOTAL INCOME TAXES	<u>(17,428)</u>	<u>(70,939)</u>	<u>(88,367)</u>	<u>154,560</u>	<u>66,193</u>	
9	OPERATING INCOME	<u>(\$54,677)</u>	<u>(37,460)</u>	<u>(92,137)</u>	<u>241,114</u>	<u>148,977</u>	
10	RATE BASE	<u>1,869,863</u>	<u>7,600</u>	<u>1,877,464</u>		<u>1,877,464</u>	
11	RATE OF RETURN	-2.92%		-4.91%		7.94%	
	COST OF CAPITAL:						
		RATIOS	COST RATE	WEIGHTED COST			
	Long Term Debt	50.00%	4.87%	2.44%			
	Common Equity	50.00%	11.00%	5.50%			
	TOTAL	<u>100.00%</u>		<u>7.94%</u>			

Income Statement -
Wastewater

Aqua Missouri, Inc.
All Missouri Companies
Income Statement - Wastewater
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004 Actual	Adjustments	Pro forma Test Year	Required Annual Revenues Revenue Req.	Proforma Rates	
1	OPERATING REVENUES	\$463,673	\$29,190	\$492,863	\$570,912	\$1,063,775	115.84%
	OPERATING EXPENSES:						
2	OPER & MAINT	552,782	100,421	653,203		653,203	
3	DEPRECIATION	95,015	20,000	115,015		115,015	
	Amortization	(2,834)	0	(2,834)		(2,834)	
4	TAXES OTHER THAN INCOME	65,787	0	65,787		65,787	
5	TOTAL OPERATING EXPENSES	710,750	120,421	831,171	0	831,171	
6	OPERATING INCOME BEFORE INCOME TAXES	(247,077)	(91,231)	(338,308)	570,912	232,604	
	INCOME TAXES:						
7	INCOME TAXES	(83,808)	(67,648)	(151,456)	223,012	71,556	
8	TOTAL INCOME TAXES	(83,808)	(67,648)	(151,456)	223,012	71,556	
9	OPERATING INCOME	(\$163,269)	(23,583)	(186,852)	347,899	161,048	
10	RATE BASE	2,017,036	12,553	2,029,588		2,029,588	
11	RATE OF RETURN	-8.09%		-9.21%		7.94%	
	COST OF CAPITAL:						
		RATIOS	COST RATE	WEIGHTED COST			
	Long Term Debt	50.00%	4.87%	2.44%			
	Common Equity	50.00%	11.00%	5.50%			
	TOTAL	100.00%		7.94%			

ISSUED BY: _____
name of officer title address

RULES AND REGULATIONS GOVERNING
 RENDERING OF SERVICE

SCHEDULE OF SERVICE CHARGES

B. Application – The following monthly water service charges will be in effect for
 Customers of Aqua Missouri Inc., located within the Company's Pettis and
 Cole Counties, Missouri service areas.

Meter Test	\$ 45.00	*
Connection Fee	\$400.00	*
Turn-on	\$ 30.00	*
Turn-on & Turn-off (After hours)	\$ 65.00	*

*Indicates new rate or text
 +Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
 month day year month day year

ISSUED BY: _____
 name of officer title address

**RULES AND REGULATIONS GOVERNING
 RENDERING OF SERVICE**

SCHEDULE OF RATES

A. Application – The following monthly water service charges will be in effect for Customers of Aqua Missouri, Inc., located within the Company's Pettis and Cole Counties, Missouri service areas. +

Monthly Service Charge – The following minimum monthly service charges must be paid regardless of the quantity of water used.

<u>METER SIZE</u>	<u>SERVICE CHARGE</u>	
5/8"	\$ 21.29	*
3/4"	31.94	*
1 "	53.23	*
1 1/2"	106.45	*
2 "	170.32	*
3 "	340.64	*

Commodity Charge

Residential	\$3.01/1,000 gallons of usage
Commercial & Industrial	\$3.01/1,000 gallons of usage

All applicable Federal, State and Local taxes shall be added in addition to the above charges.

*Indicates new rate or text
 +Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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**RULES AND REGULATIONS GOVERNING
 RENDERING OF SERVICE**

SCHEDULE OF SERVICE CHARGES

B. Application – The following monthly water service charges will be in effect for
 Customers of Aqua Missouri Inc., located within the Company's Pettis and
 Cole Counties, Missouri service areas.

Meter Test	\$ 45.00	*
Connection Fee	\$400.00	*
Turn-on	\$ 30.00	*
Turn-on & Turn-off (After hours)	\$ 65.00	*

*Indicates new rate or text
 +Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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 name of officer title address

Aqua Missouri, Inc.

For Missouri Certificated Service Area

Name of Issuing Corporation

Community, Town or City

Sewer Division

RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

SCHEDULE OF RATES (continued)

B. Application – The following monthly sewer charge will be in effect for Customers of Aqua Missouri, Inc. located within the Maplewood, Quail Run, Brooking Park, Westlake Village developments and immediate adjoining area, Pettis County, Missouri.

Residential	Based on Water Usage	\$5.57 Minimum Monthly Service Charge, Plus \$4.47/1,000 gallons of base water usage.
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Commercial and Industrial	Based on Water usage	\$5.57 Minimum Monthly Service Charge, Plus \$4.47/1,000 gallons of base water usage.
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All applicable Federal, State and Local taxes shall be added in addition to the above charges.

A surcharge in accordance with Rule 10 for an excess strength waste discharge may be applied.

*Indicates new rate or text

+Indicates change

DATE OF ISSUED: _____
month day year

DATE EFFECTIVE: _____
month day year

ISSUED BY: _____

name of officer title address

RULES AND REGULATIONS GOVERNING
 RENDERING OF SERVICE

SCHEDULE OF RATES

A. Application – The following monthly sewer service charge will be in effect for Customers of Aqua Missouri, Inc., located within the Company's Cole and Callaway Counties, Missouri service areas.

Residential	Flat Rate	\$48.63 Per Unit	+
Mobile Homes within a Mobile Home Park	Flat Rate	\$41.33 Per Unit	*
Multi-family	Flat Rate	\$41.33 Per Unit	*
Commercial and Industrial	Based on Water usage	\$48.63 for 1 st 7,000 gallons or part thereof of water usage, and \$8.05 for each additional 1,000 gallons.	*

All applicable Federal, State and Local taxes shall be added in addition to the above charges.

A surcharge in accordance with Rule 10 for an excess strength waste discharge may be applied.

*Indicates new rate or text
 +Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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Rules Governing Rendering of
Sewer Service

Schedule of Rates

- A. Application – The following monthly sewer service charges will be in effect for customers of AquaSource Development Company, located with the Company's Morgan County service area.

Residential	Minimum Rate	\$53.96 per month per unit	*
	Usage Rate	\$4.32 per 1,000 gallons	*
Alternatively, in the event that the Company is unable to obtain water usage data from the water service provider, a flat rate of \$75.54 per month per unit will be charged.			*
Multi-Family	Minimum Rate	\$43.17 per month per unit	*
	Usage Rate	\$4.32 per 1,000 gallons	*
Commercial and Industrial	Minimum Rate	\$75.54 per month	*
	Usage Rate	\$4.32 per 1,000 gallons	*

All applicable Federal, State and Local taxes shall be added in addition to the bills resulting from the rates above.

A surcharge in accordance with Rule 10 for an excess strength waste discharge may be applied.

*Indicates new rate or text
+Indicates change

DATE OF ISSUED: _____
month day year

DATE EFFECTIVE: _____
month day year

ISSUED BY: _____
name of officer title address
P.S.C. MO. No. 1 Original Sheet No. 5

Rules Governing Rendering of
Sewer Service

Schedule of Service Charges

RESIDENTIAL CONNECTION FEE

Tap Fee \$ 700.00 *

The tap fee is based on the average of the Utility's actual cost for materials and labor for standard residential connection plus road bores and other extraordinary cost.

Contribution in Aid of Construction 300.00 *

Total Cost to Connect to Sewer \$1,000.00 *

COMMERCIAL CONNECTION FEE

Actual Cost

RECONNECTION FEE

The reconnection fee will be charged before service can be restored to a customer who has been disconnected for the following reasons:

a) Non payment of bill (Maximum \$30.00) \$30.00 *

b) Customer's request \$50.00 *

or other reasons listed under Section 2.0 of this tariff

TRANSFER FEE \$50.00 *

The transfer fee will be charged for changing an account name at the same service location where the service is not disconnected.

LATE CHARGE Greater of \$5.00 or 5%

A one time penalty may be made on delinquent bills but may not be applied to any balance to which the penalty was applied in a previous billing.

RETURN CHECK CHARGE \$35.00 *

CUSTOMER DEPOSIT (Maximum \$50.00) \$50.00

NON-RESIDENTIAL DEPOSIT 1/6 est annual bill

SEASONAL RECONNECT FEE Monthly minimum bill month of disconnection not to exceed six months for voluntary disconnection and reconnection within 12 months or involuntary disconnection over 45 days.

*Indicates new rate or text

+Indicates change

DATE OF ISSUED: _____
month day year

DATE EFFECTIVE: _____
month day year

ISSUED BY: _____
name of officer title address

Aqua Missouri, Inc.
Water
Income Statement
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004 Actual	Adjustments	Pro forma Test Year	Required Annual Revenues Revenue Req.	Proforma Rates	
1	OPERATING REVENUES	\$75,214	\$1,223	\$76,437	\$65,209	\$141,646	85.31%
	OPERATING EXPENSES:						
2	OPER & MAINT	86,526	21,823	108,349		108,349	
3	DEPRECIATION	7,622	6,351	13,973		13,973	
	Amortization	(35,491)	0	(35,491)		(35,491)	
4	TAXES OTHER THAN INCOME	3,629	0	3,629		3,629	
5	TOTAL OPERATING EXPENSES	62,287	28,174	90,460	0	90,460	
6	OPERATING INCOME BEFORE INCOME TAXES	12,928	(26,951)	(14,023)	65,209	51,186	
	INCOME TAXES:						
7	INCOME TAXES	4,634	(14,360)	(9,726)	25,472	15,746	
8	TOTAL INCOME TAXES	4,634	(14,360)	(9,726)	25,472	15,746	
9	OPERATING INCOME	\$8,294	(12,591)	(4,297)	39,736	35,439	
10	RATE BASE	443,894	2,728	446,622		446,622	
11	RATE OF RETURN	1.87%		-0.96%		7.94%	
	COST OF CAPITAL:						
		RATIOS	COST RATE	WEIGHTED COST			
	Long Term Debt	50.00%	4.87%	2.44%			
	Common Equity	50.00%	11.00%	5.50%			
	TOTAL	100.00%		7.94%			

Income Statement -
Wastewater

Aqua Missouri, Inc.
Wastewater
Income Statement
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004 Actual	Adjustments	Pro forma Test Year	Required Annual Revenues Revenue Req.	Proforma Rates	
1	OPERATING REVENUES	\$452,281	\$28,582	\$480,863	\$568,675	\$1,049,538	118.26%
	OPERATING EXPENSES:						
2	OPER & MAINT	545,045	96,933	641,978		641,978	
3	DEPRECIATION	91,129	23,236	114,365		114,365	
	Amortization	0	0	0		0	
4	TAXES OTHER THAN INCOME	64,012	0	64,012		64,012	
5	TOTAL OPERATING EXPENSES	700,186	120,169	820,355	0	820,355	
6	OPERATING INCOME BEFORE INCOME TAXES	(247,905)	(91,587)	(339,492)	568,675	229,183	
	INCOME TAXES:						
7	INCOME TAXES	(84,128)	(67,507)	(151,635)	222,139	70,504	
8	TOTAL INCOME TAXES	(84,128)	(67,507)	(151,635)	222,139	70,504	
9	OPERATING INCOME	(\$163,777)	(24,080)	(187,857)	346,536	158,679	
10	RATE BASE	1,987,622	12,117	1,999,738		1,999,738	
11	RATE OF RETURN	-8.24%		-9.39%		7.94%	
	COST OF CAPITAL:						
		RATIOS	COST RATE	WEIGHTED COST			
	Long Term Debt	50.00%	4.87%	2.44%			
	Common Equity	50.00%	11.00%	5.50%			
	TOTAL	100.00%		7.94%			

RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

SCHEDULE OF RATES

A. Application – The following monthly water service charges will be in effect for Customers of Aqua Missouri, Inc., located within the Company’s Pettis and Cole Counties, Missouri service areas.

Monthly Service Charge – The following minimum monthly service charges must be paid regardless of the quantity of water used.

<u>METER SIZE</u>	<u>SERVICE CHARGE</u>
5/8"	\$ 21.29
3/4"	31.94
1 "	53.23
1 1/2"	106.45
2 "	170.32
3 "	340.64

Commodity Charge

Residential	\$3.01/1,000 gallons of usage
Commercial & Industrial	\$3.01/1,000 gallons of usage

All applicable Federal, State and Local taxes shall be added in addition to the above charges.

*Indicates new rate or text
+Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
month day year month day year

ISSUED BY: _____
name of officer title address

FORM NO. 13 P.S.C. mo. No. 1 {Revised} SHEET No. WR2
 Canceling P.S.C MO. No. 1 {Original} SHEET No. WR2
Aqua Missouri, Inc. For Missouri Certificated Service Area
Name of Issuing Corporation Community, Town or City
 Water Division

**RULES AND REGULATIONS GOVERNING
 RENDERING OF SERVICE**

SCHEDULE OF SERVICE CHARGES

B. Application – The following monthly water service charges will be in effect for
 Customers of Aqua Missouri Inc., located within the Company's Pettis and
 Cole Counties, Missouri service areas.

Meter Test	\$ 45.00
Connection Fee	\$400.00
Turn-on	\$ 30.00
Turn-on & Turn-off (After hours)	\$ 65.00

+

*

*

*

*

*Indicates new rate or text
 +Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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RULES AND REGULATIONS GOVERNING
RENDERING OF SERVICE

SCHEDULE OF RATES (continued)

B. Application – The following monthly sewer charge will be in effect for Customers of Aqua Missouri, Inc. located within the Maplewood, Quail Run, Brookling Park, Westlake Village developments and immediate adjoining area, Pettis County, Missouri. +

Residential	Based on Water Usage	\$5.57 Minimum Monthly Service Charge, Plus \$4.47/1,000 gallons of base water usage.	*
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Commercial and Industrial	Based on Water usage	\$5.57 Minimum Monthly Service Charge, Plus \$4.47/1,000 gallons of base water usage.	*
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All applicable Federal, State and Local taxes shall be added in addition to the above charges.

A surcharge in accordance with Rule 10 for an excess strength waste discharge may be applied.

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DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

SCHEDULE OF RATES

A. Application – The following monthly sewer service charge will be in effect for Customers of Aqua Missouri, Inc., located within the Company's Cole and Callaway Counties, Missouri service areas.

Residential	Flat Rate	\$48.63 Per Unit
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Mobile Homes within a Mobile Home Park	Flat Rate	\$41.33 Per Unit
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Multi-family	Flat Rate	\$41.33 Per Unit
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Commercial and Industrial	Based on Water usage	\$48.63 for 1 st 7,000 gallons or part thereof of water usage, and \$8.05 for each additional 1,000 gallons.
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All applicable Federal, State and Local taxes shall be added in addition to the above charges.

A surcharge in accordance with Rule 10 for an excess strength waste discharge may be applied.

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DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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ISSUED BY: _____

name of officer title address

Aqua/RU, Inc. d/b/a Aqua Missouri, Inc.
Total Company
Income Statement - Water
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004 Actual	Adjustments	Pro forma Test Year	Required Annual Revenues Revenue Req.	Proforma Rates	
1	OPERATING REVENUES	\$248,731	\$3,951	\$252,682	\$330,464	\$583,146	130.78%
	OPERATING EXPENSES:						
2	OPER & MAINT	303,427	38,980	342,407		342,407	
3	DEPRECIATION	30,749	46,419	77,168		77,168	
	Amortization	(18,124)	0	(18,124)		(18,124)	
4	TAXES OTHER THAN INCOME	17,712	0	17,712		17,712	
5	TOTAL OPERATING EXPENSES	333,764	85,399	419,163	0	419,163	
6	OPERATING INCOME BEFORE INCOME TAXES	(85,033)	(81,448)	(166,481)	330,464	163,983	
	INCOME TAXES:						
7	INCOME TAXES	(22,062)	(56,580)	(78,642)	129,088	50,446	
8	TOTAL INCOME TAXES	(22,062)	(56,580)	(78,642)	129,088	50,446	
9	OPERATING INCOME	(\$62,971)	(24,868)	(87,839)	201,376	113,537	
10	RATE BASE	1,425,969	4,872	1,430,842		1,430,842	
11	RATE OF RETURN	-4.42%		-6.14%		7.94%	
	COST OF CAPITAL:						
		RATIOS	COST RATE	WEIGHTED COST			
	Long Term Debt	50.00%	4.87%	2.44%			
	Common Equity	50.00%	11.00%	5.50%			
	TOTAL	100.00%		7.94%			

RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

SCHEDULE OF RATES

A. Application – The following monthly water service charges will be in effect for Customers of Aqua Missouri, Inc., located within the Company's Pettis and Cole Counties, Missouri service areas.

Monthly Service Charge – The following minimum monthly service charges must be paid regardless of the quantity of water used.

<u>METER SIZE</u>	<u>SERVICE CHARGE</u>
5/8"	\$ 21.29
3/4"	31.94
1 "	53.23
1 1/2"	106.45
2 "	170.32
3 "	340.64

Commodity Charge

Residential	\$3.01/1,000 gallons of usage
Commercial & Industrial	\$3.01/1,000 gallons of usage

All applicable Federal, State and Local taxes shall be added in addition to the above charges.

*Indicates new rate or text
+Indicates change

DATE OF ISSUED: _____ DATE EFFECTIVE: _____
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name of officer title address

{Revised} SHEET No. WR2

{Original} SHEET No. WR2

Aqua/Ru, Inc., d/b/a Aqua Missouri, Inc.
Name of Issuing Corporation

For Missouri Certificated Service Area
Community, Town or City

Water Division

RULES AND REGULATIONS GOVERNING RENDERING OF SERVICE

SCHEDULE OF SERVICE CHARGES

B. Application – The following monthly water service charges will be in effect for Customers of Aqua Missouri Inc., located within the Company's Pettis and Cole Counties, Missouri service areas.

Meter Test	\$ 45.00
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Connection Fee	\$400.00
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Turn-on	\$ 30.00
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Turn-on & Turn-off (After hours)	\$ 65.00
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*Indicates new rate or text

+Indicates change

DATE OF ISSUED: _____
month day year

DATE EFFECTIVE: _____
month day year

ISSUED BY: _____

name of officer	title	address
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Aqua Development Company d/b/a Aqua Missouri, Inc.
Ozark Meadows
Income Statement - Wastewater
Year Ending 12/31/04

LINE NO.	DESCRIPTION	12/31/2004	Adjustments	Pro forma Test Year	Required Annual Revenues	
		Actual			Revenue Req.	Proforma Rates
1	OPERATING REVENUES	<u>\$11,392</u>	<u>\$608</u>	<u>\$12,000</u>	<u>\$2,238</u>	<u>\$14,237</u>
	OPERATING EXPENSES:					
2	OPER & MAINT	7,737	3,488	11,225		11,225
3	DEPRECIATION	3,886	(3,236)	650		650
	Amortization	(2,834)	0	(2,834)		(2,834)
4	TAXES OTHER THAN INCOME	<u>1,775</u>	<u>0</u>	<u>1,775</u>		<u>1,775</u>
5	TOTAL OPERATING EXPENSES	<u>10,563</u>	<u>252</u>	<u>10,816</u>	<u>0</u>	<u>10,816</u>
6	OPERATING INCOME BEFORE INCOME TAXES	<u>828</u>	<u>356</u>	<u>1,184</u>	<u>2,238</u>	<u>3,422</u>
	INCOME TAXES:					
7	INCOME TAXES	<u>320</u>	<u>(141)</u>	<u>179</u>	<u>873</u>	<u>1,052</u>
8	TOTAL INCOME TAXES	<u>320</u>	<u>(141)</u>	<u>179</u>	<u>873</u>	<u>1,052</u>
9	OPERATING INCOME	<u>\$508</u>	<u>497</u>	<u>1,005</u>	<u>1,364</u>	<u>2,369</u>
10	RATE BASE	<u>29,414</u>	<u>436</u>	<u>29,850</u>		<u>29,850</u>
11	RATE OF RETURN	1.73%		3.37%		7.94%
	COST OF CAPITAL:					
		RATIOS	COST RATE	WEIGHTED COST		
	Long Term Debt	50.00%	4.87%	2.44%		
	Common Equity	50.00%	11.00%	5.50%		
	TOTAL	<u>100.00%</u>		<u>7.94%</u>		

18.65%

Rules Governing Rendering of
Sewer Service

Schedule of Rates

- A. Application – The following monthly sewer service charges will be in effect for customers of AquaSource Development Company, located with the Company's Morgan County service area.

Residential	Minimum Rate	\$53.96 per month per unit	*
	Usage Rate	\$4.32 per 1,000 gallons	*

Alternatively, in the event that the Company is unable to obtain water usage data from the water service provider, a flat rate of \$75.54 per month per unit will be charged. *

Multi-Family	Minimum Rate	\$43.17 per month per unit	*
	Usage Rate	\$4.32 per 1,000 gallons	*

Commercial and Industrial	Minimum Rate	\$75.54 per month	*
	Usage Rate	\$4.32 per 1,000 gallons	*

All applicable Federal, State and Local taxes shall be added in addition to the bills resulting from the rates above.

A surcharge in accordance with Rule 10 for an excess strength waste discharge may be applied.

*Indicates new rate or text
+Indicates change

DATE OF ISSUED: _____
month day year

DATE EFFECTIVE: _____
month day year

ISSUED BY: _____
name of officer title address
P.S.C. MO. No. 1 Original Sheet No. 5

Rules Governing Rendering of
Sewer Service

Schedule of Service Charges

RESIDENTIAL CONNECTION FEE

Tap Fee \$ 700.00 *

The tap fee is based on the average of the Utility's actual cost for materials and labor for standard residential connection plus road bores and other extraordinary cost.

Contribution in Aid of Construction 300.00 *

Total Cost to Connect to Sewer \$1,000.00 *

COMMERCIAL CONNECTION FEE

Actual Cost

RECONNECTION FEE

The reconnection fee will be charged before service can be restored to a customer who has been disconnected for the following reasons:

a) Non payment of bill (Maximum \$30.00) \$30.00 *

b) Customer's request \$50.00 *

or other reasons listed under Section 2.0 of this tariff

TRANSFER FEE \$50.00 *

The transfer fee will be charged for changing an account name at the same service location where the service is not disconnected.

LATE CHARGE Greater of \$5.00 or 5%

A one time penalty may be made on delinquent bills but may not be applied to any balance to which the penalty was applied in a previous billing.

RETURN CHECK CHARGE \$35.00 *

CUSTOMER DEPOSIT (Maximum \$50.00) \$50.00

NON-RESIDENTIAL DEPOSIT 1/6 est annual bill

SEASONAL RECONNECT FEE Monthly minimum bill month of disconnection not to exceed six months for voluntary disconnection and reconnection within 12 months or involuntary disconnection over 45 days.

*Indicates new rate or text

+Indicates change

DATE OF ISSUED: _____
month day year

DATE EFFECTIVE: _____
month day year

ISSUED BY: _____
name of officer title address