Exhibit No.: 500
Issue(s): Class Cost of Service
Witness/Type of Exhibit: Price/Rebuttal
Sponsoring Party: Federal Executive Agencies

REBUTTAL TESTIMONY

OF

GARY C. PRICE

Submitted on Behalf of the Federal Executive Agencies

MISSOURI GAS ENERGY

CASE NO. GR-2004-0209

Exhibit 500

REBUTTAL TESTIMONY OF GARY C. PRICE

Q. PLEASE STATE YOUR NAME AND BUSINESS ADRESS.

A. My name is Gary C. Price. My business address is P.O. Box 23, Sun Prairie, Wisconsin 53590.

Q. WHAT IS YOUR OCCUPATION?

A. I am a principal consultant with Rhema Services Inc. and have worked in the utility industry for almost 35 years.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE A REGULATORY COMMISSION?

A. Yes. Since 1977, I have testified numerous times before the Federal Energy Regulatory Commission ("FERC"), the Minnesota Public Service Commission, the Public Service Commission of New York, the Texas Public Utility Commission and the Public Service Commission of Wisconsin ("PSCW").

Q. PLEASE STATE YOUR BACKGROUND AND QUALIFICATIONS.

A. I have worked as a consulting engineer, developing power system analyses and presenting expert testimony in various utility rate matters, such as cost of service, cost allocation and rate design. Recently, much of my work has been in the areas of power supply analysis, cost of service analysis, rate design, as well as providing litigation support to law firms in processing or negotiating rate cases before various regulatory agencies. Over the past year, I have been involved in a wholesale rate case before the FERC involving Wisconsin Public

Service Corporation ("WPS") in Docket No. ER03-606-000 on behalf of the Algoma Group. Over the past four years, I have spent a considerable amount of time supporting various functions of the ISO New England, Inc., including developing and presenting to the FERC in testimony the cost of service analysis supporting the self-funding tariffs in effect for Calendar Year 2000, 2001, 2002 and 2003.

From January 1995 through July 1999, I was Vice President-Customer Services and Marketing at Wisconsin Public Power Inc. In this position, I supervised four departments in the areas of Rates and Forecasting, Distribution Services, Information Services and Customer Services and Marketing. In addition to these duties, I provided technical guidance and support in rate cases before the FERC and the PSCW. I was also a member of the Mid-Continent Area Power Pool Rates and Tariff Task Force which was responsible for developing rates and tariffs for the proposed regional ISO.

From 1977 through 1995, I was primarily an independent consultant. During those years, I was involved in a number of gas and electric utility matters, including the preparation of power supply studies, rate studies and analysis of numerous cost of service studies presented by various parties to regulatory proceedings.

I graduated from the University of Alabama in 1970 with a Bachelor of Science degree in Electrical Engineering. Upon graduation, I joined the Tennessee Valley Authority ("TVA") in the Division of Power Marketing as a Power Supply Engineer. From 1970 to 1975, my responsibilities as a Power Supply Engineer involved the development of power supply arrangements including, but not limited to, contract and rate development for electric sales to large industrial customers served directly by TVA. In addition, I completed all the required course work at the University of Tennessee for a Masters of Science degree in Electrical Engineering. In 1975, my position at TVA changed to Rate Engineer and my responsibilities included the preparation of cost of service studies, feasibility studies, and other economic analyses for the TVA power system and for TVA's municipal and cooperative customers.

Q. WHO ARE YOU FILING TESTIMONY FOR IN THIS CASE?

A. I am filing testimony on behalf of the Federal Executive Agencies.

Q. WHAT WAS YOUR ASSIGNMENT IN THIS CASE?

A. My assignment was to review the various documents filed in this proceeding and to make a recommendation regarding an appropriate assignment of cost responsibilities to the various customer classes.

Q. WHAT DOCUMENTS HAVE YOU REVIEWED?

A. I have reviewed the cost of service ("COS") testimony and exhibits presented in this case and also previous opinions rendered by the Public Service Commission of the State of Missouri ("PSC") in previous Missouri Gas Energy ("MGE") rate filings.

Q. IN YOUR OPINION WHAT ROLE SHOULD COS STUDIES PLAY IN THE ASSIGNMENT OF REVENUE RESPONSIBILITIES TO THE CUSTOMER CLASSES.

A. The COS study plays a very important role. Obviously, MGE's revenue requirement is made of a numerous cost components that are influenced in different ways by different customer classes. As an example, most of MGE's customers purchase their total gas requirements directly from MGE, in which case MGE is responsible for providing the customer a service which includes both the acquisition of the gas and also the delivery the gas to the customer's house or place of business. Other customers acquire their own gas acquisition and purchase the necessary transportation service from MGE. The costs that would make up the revenue requirement for the requirements gas customer could be significantly different than the costs that make up the revenue requirements of the customers that only purchases gas transportation service. The COS study attempts to assign the appropriate costs to each customer group in the establishment of each customer's revenue requirement.

Often times when making these cost assignments, the analyst is faced with situations where certain costs can not be easily associated with any one particular group of customers. Additionally, there maybe more than one acceptable method that the analyst may choose from to make the assignment of such costs. In that case, a judgment has to be made by the analyst as to which method will best fit the particular cost assignment and to the greatest extent possible, reflect cost causation principles.

In a given set of cost assignment scenarios, not all analysts will always choose the same method of cost assignment. Therefore, the COS studies developed by these analysts will produce varying results. Therefore, in my opinion, although the COS studies are very important in making the final assignment of revenue requirements to the customer classes, the studies should generally be used as a guide.

Q. HAVE YOU DEVELOPED A COS STUDY THAT YOU ARE PRESENTING IN THIS CASE?

A. Yes. The COS that I have developed is summarized in Schedule 1 of Exhibit (GCP-2). The detailed development of my COS study is shown in Schedules 2 and 3 of Exhibit (GCP-2). A summary comparison of the relative class responsibilities for the COS studies presented in this case is shown in Exhibit (GCP-1).

Q. PLEASE SUMMARIZE THE RESULTS OF YOUR REVIEW OF THE VARIOUS COS STUDIES PRESENTED IN THIS CASE.

A. Based upon my review of the cost of service ("COS") data filed in this case by MGE, the Missouri Office of the Public Counsel ("OPC") and the Utility Operations Division of the Missouri Public Service Commission ("Staff"), there is a wide variance in the cost of service results. For instance, Table 1 shows the class percentage responsibilities produced by each of the parties previously mentioned.

Table 1
Class Cost Percentages (1)
Based on Cost of Service As Filed

Line No.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service
	(a)	(b)	(c)	(d)	(e)	(f)
1	MGE	100.000%	73.802%	18.438%	1.040%	6.721%
2	Staff	100.000%	71.501%	19.172%	1.061%	8.266%
3	OPC	100.000%	62.945%	21.789%	1.433%	13.834%

(1) From Exhibit ___ (GCP - 1)

I also noticed in my review that there are a wide range of methodologies used to assign certain individual cost items in each of the COS studies. Additionally, I noticed a significant error in MGE's COS study.

Q. COULD YOU PLEASE DESCRIBE THE ERROR IN MGE'S COS STUDY?

A. Yes. The error pertains to an incorrect spreadsheet cell reference in the development of MGE's customer weighting factors for the "Weighted Meter Installation" cost category. According to company exhibits, these customer weighting factors are supposed to be derived by dividing the cost of meter installations for the residential class (the smallest cost category) by meter installation cost for each of the remaining rate classes. In this case, MGE did not divide the residential meter installation cost by the meter installation costs for the remaining classes, but instead MGE inadvertently used the "Meter" costs as the divisor in its development of the Weighted Meter Installation Factors. Table 2 compares the incorrect factors as derived by MGE to the corrected factors.

Table 2
Meter Installation Costs
Customer Weighting Factors

Line No.	Rate Class	Meter Installation Costs (1)	Weighted Meter Installations Per MGE (1)	Weighted Meter Installations Per RSI
	(a)	(b)	(c)	(d)
1	Residential	$ 366.84	1.00	1.00
2	Small General Service	$ 366.84	6.36	1.00
3	Large General Service	$ 1,467.32	25.45	4.00
4	Large Volume Service	$ 5,373.79	93.20	14.65

(1) See Exhibit (GCP - 1)

Q. WHAT IS THE IMPACT OF MAKING THIS CORRECTION ON MGE'S COS STUDY RESULTS?

A. Table 3 restates the results shown in Table 1 for the corrected weighted meter installations factor. As shown on Line 1, making the correction increases the percentages for the Residential and Small General Service Classes and reduces the percentages for the Large General Service and Large Volume Classes.

Table 3

Class Cost Percentages (1)

Based on Cost of Service

Line No.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service
	(a)	(b)	(c)	(d)	(e)	(f)
1	MGE (Corrected)	100.000%	75.371%	17.087%	0.999%	6.543%
2	Staff	100.000%	71.501%	19.172%	1.061%	8.266%
3	OPC	100.000%	62.945%	21.789%	1.433%	13.834%

(1) From Exhibit ___ (GCP - 1)

Q. YOU MENTIONED EARLIER THAT YOU OBSERVED A WIDE RANGE OF METHODOLGIES USED TO ASSIGN CERTAIN COSTS. COULD YOU ELABORATE ON SOME OF THOSE METHODS?

A. Yes. First of all, for purposes of my review, analysis and COS study development, I have used the total company cost data from Staff's COS study for the 12-month period ending June 30, 2003. Based on that cost data, the largest investment items included in plant in service are "Mains", "Services", "Meters", "Meter Installations" and "General Plant". These investment items make up almost 92% of the total plant in service. The investment in Mains alone account for almost 40% of total plant in service. Therefore how these items are assigned to the customer classes have a significant impact on the COS results in this case. In each of the three COS studies presented, Mains are allocated to the customer classes in a different manner.

Q. PLEASE DISCUSS YOUR REVIEW OF THE VARIOUS ALLOCATION OF THE COST OF MAINS.

A. MGE allocated the cost of Mains using a combination of Customer Allocation and Demand Allocation factors. The company classified the investment in Mains using a generally accepted method called the "Zero Intercept" method. MGE's analysis assigned 34.72% of the investment in Mains to the Customer Classification and the remaining 65.28% to the Demand Classification. MGE then allocates the customer portion of the main investment on the basis of the un-weighted number of customers. MGE allocates the demand portion on the basis of system demands. In total, MGE's approach assigns about 87% of the main costs to the residential and small general service customer classes.

Staff's approach to assigning the cost of Mains to the rate classes is the same as it had used in a prior case. It first classified the Main investment into two components: a "stand-alone" (or customer) component and an "integrated system" (or demand) component. Staff's method assigned 28.27% of the investment in Mains to the stand-alone (customer) classification and the remaining 71.73% to integrated system (demand) component. Staff then allocates the customer portion of the main investment on the basis of its weighted customers. Staff allocates the demand portion on the basis of system demands. In total, Staff's approach assigns about 84% of the main costs to the residential and small general service customer classes.

The OPC's approach to assigning the cost of Mains to the rate classes was also the same as it had used in prior cases where it used the "relative system utilization method" (or RSUM).

OPC's method has been rejected by the Commission. That method ignores any customer influence or customer component that may be implicit in the design and use of the local distribution mains. In fact the resulting impact of OPC's method goes well beyond any sense of reason and actually approximates an allocation scheme that falls somewhere between a peak demand allocation and a volume allocation method. This method totally ignores the fact that these mains were designed to meet an annual peak requirement of which about 80% (of the annual peak requirements) is created by about 99.8% of MGE's smaller customers (residential and small general service customers). OPC's proposed method assigns only about 72 % of the cost of the mains to these customers.

Q. HAVE YOU DEVELOPED AN INDEPENDENT ANALYSIS FOR PURPOSES OF ALLOCATING THE COST OF MAINS IN THIS CASE?

A. No. However, I have reviewed all the methods presented. Based on the information provided to me by MGE, Staff and others, I have concluded that, based on my review and experience, MGE's approach is the most reasonable method in this case.

Q. PLEASE DISCUSS YOUR REVIEW OF THE VARIOUS ALLOCATIONS OF COST OF SERVICES, METERS AND METER INSTALLATIONS.

A. MGE's investment in services, meters and meter installations in this case represents about 46% of the company's total investment in plant in service. The company first classified all of these costs as being customer-related and allocated each of these cost items on the basis of weighted customer allocators. The weighting factor for each cost item is different and is purportedly based on the replacement cost of these items for each customer class. OPC accepts the company's classification as well as the customer weighting factors for the cost items. As discussed earlier, the company's calculation of its weighting factor for meter installations contains an error which I have corrected in my analysis.

Staff also classifies these costs as being customer-related but develops its own weighting factors.

I have reviewed both methods and have concluded that MGE's method is most appropriate in this case.

Q. HOW HAVE THE PARTIES ALLOCATED GENERAL PLANT IN THIS CASE?

A. MGE classified and allocated General plant, except for communication equipment – AMR, and associated expenses on the basis of classified and allocated operating expenses.

Staff and OPC classified and allocated all general plant and associated expenses on the basis of non-general plant in service. The methods used by MGE, Staff and OPC are inappropriate for the reasons relied upon by the Federal Energy Regulatory Commission when it determined that general plant is most appropriately allocated on the basis of allocated salaries and wages (or payroll).

Q. IN YOUR OPINION, HOW SHOULD GENERAL PLANT AND ASSOCIATED EXPENSES BE CLASSIFIED AND ALLOCATED?

A. In my opinion, these cost items should be assigned to the rate classes using classified and allocated payroll expense.

Q. ARE THERE OTHER COST ITEMS THAT YOU HAVE ALLOCATED DIFFERENTLY THAN MGE OR STAFF THAT IMPACT THE RESULTS OF YOUR COS STUDY?

A. Yes. It is my understanding that the LVS Customer Class consists of customers that take transmission or delivery service only. Although the LVS Tariff allows the customers to both purchase gas and delivery service from MGE, over 99.9% take delivery service only. As I stated earlier, the delivery service customers should not pay any costs associated with the gas acquisition and related costs. Only those LVS customers who purchase gas from MGE should pay for those type costs. All of the COS studies that I have reviewed in this case have inappropriately allocated a full share of costs such as gas inventories and associated cash working capital to the LVS class based on either volumes or demands as if the total class were purchasing gas from MGE. In my COS study, I have not allocated these costs to the LVS Class.

Q. WHAT DEMANDS, VOLUMES AND CURRENT RATE REVENUE QUANTITIES HAVE YOU USED IN THE COS STUDY YOU ARE PRESENTING IN THIS CASE?

A. I have used the demand and volume quantities proposed by Staff. Correspondingly, I have used the current rate revenues used by Staff in their presentation.

Q. HOW DO YOUR COS STUDY RESULTS COMPARE TO THOSE THAT YOU DISCUSSED EARLIER?

A. Table 4 compares the results of my COS study to those presented by MGE, Staff and OPC. As can be seen in Table 4, the COS study that I have developed produces overall cost assignments that fall in between those produced by MGE and Staff.

Table 4
Class Revenue Percentages (1)
Current Rate Revenue Versus Cost of Service Results

Line No.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service
	(a)	(b)	(c)	(d)	(e)	(f)
1	Current Rate Revenue	100.00%	69.80%	20.56%	1.99%	7.65%
2	MGE COS (Corrected)	100.00%	75.37%	17.09%	1.00%	6.54%
3	Staff COS	100.00%	71.50%	19.17%	1.06%	8.27%
4	OPC COS	100.00%	62.95%	21.79%	1.43%	13.83%
5	FEA COS	100.00%	75.09%	17.87%	0.80%	6.24%

(1) From Exhibit ___ (GCP - 1).

Q. HOW DO YOU PROPOSE TO ALLOCATE THE REVENUE REQUIREMENT AMONG THE RATE CLASSES IN THIS CASE.

A. As shown in Table 4, both the COS study that MGE has presented and the COS study that I have presented shows the percentage assignments to the SGS, LGS and LVS customer classes to be less than the percentages reflected in current rate revenue. However, as I stated earlier, the COS studies should be used as a guide in determining the appropriate revenue allocation in this case. Table 5 compares the class percentage assignments based on current rate revenue and based on the COS study results that I propose (see Lines 1 and 5 of Table 4).

Table 5
Federal Executive Agencies COS Study Versus Current Rate Revenue
Class Revenue Assignments

Line No.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service
	(a)	(b)	(c)	(d)	(e)	(f)
1	Current Rate Revenue	100.00%	69.80%	20.56%	1.99%	7.65%
2	FEA COS	100.00%	75.09%	17.87%	0.80%	6.24%
3	Difference - % (Line 2 / Line 1) - 1		7.57%	-13.09%	-59.94%	-18.32%

(1) From Table 4

As shown in Table 5, since all class revenue assignments in the FEA COS study are less that 20% (except for the LGS Class) from their status under current rates, it is my proposal that any approved change in MGE's total company revenue requirement in this case should be assigned to the customer classes on a system average basis except for the LGS class. The LGS class in my COS study shows substantially more (almost 60%) than 20% change from current rates. Under my proposal, the LGS class should receive 75% of the system revenue increase or 125% of any system average decrease. The remaining customer classes (RES, SGS and LVS) receive the system average increase or decrease and would share proportionally any remaining revenue increase or decrease from the LGS class. In other words, if MGE is hypothetically granted a 5% increase in revenues, the LGS class should receive, under my proposal, an increase of 3.75% (5% x 0.75 = 3.75%) and the remaining classes then each customer class would receive about a 5.05% increase in its current rates. If MGE is hypothetically granted a 5% decrease in revenues, the LGS class should receive a decrease of 6.25% and the remaining classes would receive a decrease of about 4.97%.

Q. DO YOU AGREE WITH MGE'S PROPOSED CHANGES IN THE LGS AND LVS RATE DESIGN?

A. MGE has proposed to increase the winter period from the current 5 months to 6 months by moving April from the summer to the winter period. In my opinion, MGE has not provided any evidence to warrant this change. Therefore, no rate design changes should be made for the LGS and LVS rate classes.

Q. DOES THIS COMPLETE YOUR TESTIMONY?

A. Yes.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Summary Class Revenue Percentage Comparison
Per Federal Executive Agencies

Line No.	Description	Total	Residential Service	Small General Service	Large General Service	Large Volume Service	Reference
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Revenue At Present Rates	$ 140,485,626	$ 98,057,993	$ 28,887,810	$ 2,798,695	$ 10,741,128	Per Staff
2		100.00%	69.80%	20.56%	1.99%	7.65%	
3							
4	MGE COS	$ 181,390,225	$ 133,869,013	$ 33,444,417	$ 1,885,635	$ 12,191,160	Per MGE
5		100.00%	73.80%	18.44%	1.04%	6.72%	
6							
7	Staff COS	$ 138,316,580	$ 98,897,866	$ 26,518,103	$ 1,467,009	$ 11,433,602	Per Staff
8		100.00%	71.50%	19.17%	1.06%	8.27%	
9							
10	OPC COS	$ 146,235,433	$ 92,048,205	$ 31,862,689	$ 2,094,997	$ 20,229,543	Per OPC
11		100.00%	62.95%	21.79%	1.43%	13.83%	
12							
13	MGE COS (Corrected)	$ 181,390,225	$ 136,715,578	$ 30,993,660	$ 1,812,164	$ 11,868,824	Corrected MGE
14		100.00%	75.37%	17.09%	1.00%	6.54%	
15							
16	FEA COS	$ 138,316,579	$ 103,855,235	$ 24,719,665	$ 1,103,968	$ 8,637,711	Per Exh. (GCP-2), Sch 1, Ln 16
17		100.00%	75.09%	17.87%	0.80%	6.24%	

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Class Cost of Service Study Summary Per Federal Executive Agencies

Line No.	Description	Total	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Rate Base	$ 504,358,631	$ 371,609,000	$ 95,496,017	$ 4,894,393	$ 32,359,222	From Sch 2, Pg 5, Ln 191
2	Return on Rate Base		6.810%	6.810%	6.810%	6.810%	Per Staff
3							
4	Return On Rate Base	$ 34,346,823	$ 25,306,573	$ 6,503,279	$ 333,308	$ 2,203,663	Ln 1 X Ln 2
5							
6	O & M Expenses	$ 66,636,495	$ 50,886,487	$ 11,482,961	$ 446,467	$ 3,820,580	From Sch 2, Pg 9, Ln 186
7	Depreciation/Amort. Expenses	22,723,309	17,009,644	3,944,435	183,358	1,585,871	From Sch 2, Pg 10, Ln 261
8	Taxes Other Than Income Taxes	10,570,376	7,927,559	1,845,023	83,157	714,637	From Sch 2, Pg 11, Ln 272
9	Income Taxes	8,704,842	6,413,262	1,647,783	84,476	559,320	*From Sch 2, Pg 11, Ln 287*
10	Total Expenses	$ 108,635,022	$ 82,236,952	$ 18,920,202	$ 797,459	$ 6,680,408	
11							
12	**Total Cost of Service**	$ 142,981,845	$ 107,543,525	$ 25,423,481	$ 1,130,767	$ 8,884,071	Ln 4 + Ln 10
13							
14	*Other Revenues*	$ 4,665,266	$ 3,688,290	$ 703,816	$ 26,799	$ 246,360	From Sch 2, Pg 11, Ln 299
15							
16	**Net Cost of Service**	$ 138,316,579	$ 103,855,235	$ 24,719,665	$ 1,103,968	$ 8,637,711	Ln 12 - Ln 14
17	% of Total	100.0000%	75.0852%	17.8718%	0.7981%	6.2449%	
18							
19	**Current Revenue**	$ 140,485,626	$ 98,057,993	$ 28,887,810	$ 2,798,695	$ 10,741,128	Per Staff
20	% of Total	100.0000%	69.7993%	20.5628%	1.9922%	7.6457%	

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct (a)	Description (b)	Alloc (c)	Total (1) (d)	Residential (e)	Small General Service (f)	Large General Service (g)	Large Volume Service (h)	Allocation Factor: Description (i)	Allocation Factor: Alloc Factors Developed By (j)
1		Intangible Plant								
2	301	Organization								
3		Customer	DistACust	$ 10,727	$ 8,833	$ 1,640	$ 40	$ 214	Dist. Plant Cust	Per MGE
4		Demand	DEMA	$ 4,873	$ 2,858	$ 1,036	$ 88	$ 891	Demand Factor	Per Staff
5		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
6		Total Organization		$ 15,600	$ 11,691	$ 2,676	$ 128	$ 1,105		
7	302	Franchises								
8		Customer	DistACust	$ 23,812	$ 19,608	$ 3,640	$ 88	$ 475	Dist. Plant Cust	Per MGE
9		Demand	DEMA	$ 10,818	$ 6,343	$ 2,301	$ 196	$ 1,979	Demand Factor	Per Staff
10		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
11		Total Franchise		$ 34,630	$ 25,951	$ 5,941	$ 284	$ 2,453		
12	303	Miscellaneous Intangible								
13		Customer	DistACust	$ 22,258,932	$ 18,329,466	$ 3,403,069	$ 82,615	$ 443,782	Dist. Plant Cust	Per MGE
14		Demand	DEMA	$ 10,112,961	$ 5,929,792	$ 2,150,802	$ 182,801	$ 1,849,565	Demand Factor	Per Staff
15		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
16		Total Misc. Intangible Plant		$ 32,371,893	$ 24,259,258	$ 5,553,871	$ 265,416	$ 2,293,348		
17		Total Intangible Plant		$ 32,422,123	$ 24,296,900	$ 5,562,489	$ 265,828	$ 2,296,906		
18										
19		Distribution Plant								
20	374	Land & Land Rights								
21		Customer	PA65ACus	$ 1,110,508	$ 914,465	$ 169,781	$ 4,122	$ 22,140	Plant Accounts 376 - 385 Cust	Per MGE
22		Demand	DEMA	$ 504,540	$ 295,840	$ 107,304	$ 9,120	$ 92,276	Demand Factor	Per Staff
23		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
24		Total Land & Land Rights		$ 1,615,048	$ 1,210,305	$ 277,085	$ 13,242	$ 114,416		
25	375	Structures & Improvements								
26		Customer	PA65ACus	$ 4,170,623	$ 3,434,364	$ 637,628	$ 15,479	$ 83,151	Plant Accounts 376 - 385 Cust	Per MGE
27		Demand	DEMA	$ 1,894,850	$ 1,111,056	$ 402,993	$ 34,251	$ 346,550	Demand Factor	Per Staff
28		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
29		Total Struct. & Improvements		$ 6,065,473	$ 4,545,421	$ 1,040,620	$ 49,731	$ 429,701		
30	376	Mains								
31		Customer	CUSA	$ 107,666,559	$ 93,725,275	$ 13,747,013	$ 91,333	$ 102,938	Customers Alloc Factor	Per MGE
32		Demand	DEMA	$ 202,477,218	$ 118,723,670	$ 43,062,410	$ 3,659,964	$ 37,031,173	Demand Factor	Per Staff
33		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
34		Total Mains		$ 310,143,777	$ 212,448,946	$ 56,809,423	$ 3,751,297	$ 37,134,111		
35	378	Meas. & Reg. Sta. Equip.-General								
36		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
37		Demand	DEMA	$ 11,162,207	$ 6,545,024	$ 2,373,954	$ 201,767	$ 2,041,462	Demand Factor	Per Staff
38		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
39		Total Meas.&Reg.Sta. Equip.-General		$ 11,162,207	$ 6,545,024	$ 2,373,954	$ 201,767	$ 2,041,462		
40	379	Meas. & Reg. Sta. Equip.-City Gate								
41		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
42		Demand	DEMA	$ 3,211,758	$ 1,883,233	$ 683,070	$ 58,056	$ 587,400	Demand Factor	Per Staff
43		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
44		Total Meas.&Reg.Sta. Equip.-City Gate		$ 3,211,758	$ 1,883,233	$ 683,070	$ 58,056	$ 587,400		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
45	380	Services								
46		Customer	SWCUSA	$ 270,090,903	$ 230,764,004	$ 33,846,960	$ 993,943	$ 4,485,996	Services Wtd Alloc Factor	Per MGE
47		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
48		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
49		Total Services		$ 270,090,903	$ 230,764,004	$ 33,846,960	$ 993,943	$ 4,485,996		
50	381	Meters								
51		Customer	MTRWCUSA	$ 29,207,668	$ 9,593,573	$ 16,730,689	$ 319,445	$ 2,563,961	Meters Wtd Alloc Factor	Per MGE
52		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
53		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
54		Total Meters		$ 29,207,668	$ 9,593,573	$ 16,730,689	$ 319,445	$ 2,563,961		
55	382	Meter Installations								
56		Customer	MTRINCUSA	$ 59,476,816	$ 50,980,360	$ 7,477,467	$ 198,716	$ 820,272	Meters Install Wtd Alloc Factor	Per MGE
57		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
58		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
59		Total Meter Installations		$ 59,476,816	$ 50,980,360	$ 7,477,467	$ 198,716	$ 820,272		
60	383	House Regulators								
61		Customer	RWCUSA	$ 10,508,164	$ 7,973,622	$ 1,169,519	$ 168,067	$ 1,196,956	Regulators Wtd Alloc Factor	Per MGE
62		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
63		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
64		Total House Regulators		$ 10,508,164	$ 7,973,622	$ 1,169,519	$ 168,067	$ 1,196,956		
65	385	Electronic Gas Measurement								
66		Customer	LVSACust	$ 345,857	$ -	$ -	$ -	$ 345,857	LVS Direct Assignment Cust	Per MGE
67		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
68		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
69		Total Elect. Gas Measurement		$ 345,857	$ -	$ -	$ -	$ 345,857		
70		Total Distribution Plant		$ 701,827,671	$ 525,944,486	$ 120,408,787	$ 5,754,264	$ 49,720,133		
71										
72		General Plant								
73		Customer	PayrollACust	$ 50,855,441	$ 40,507,882	$ 9,141,181	$ 176,843	$ 1,029,536	Payroll Customer	New
74		Demand	PayrollADe	$ 3,893,184	$ 2,242,881	$ 813,518	$ 75,265	$ 761,521	Payroll Demand	New
75		Commodity	PayrollAV	$ 740,347	$ 348,115	$ 134,658	$ 21,953	$ 235,622	Payroll Volume	New
76		Total General Plant		$ 55,488,973	$ 43,098,877	$ 10,089,357	$ 274,060	$ 2,026,679		
77		Total Plant in Service		$ 789,738,767	$ 593,340,263	$ 136,060,633	$ 6,294,152	$ 54,043,719		
78										

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
79		Accumulated Depreciation								
80	303	Miscellaneous Intangible								
81		Customer	DistACust	$ (11,415,872)	$ (9,400,579)	$ (1,745,322)	$ (42,371)	$ (227,601)	Dist. Plant Cust	Per MGE
82		Demand	DEMA	$ (5,186,605)	$ (3,041,195)	$ (1,103,076)	$ (93,753)	$ (948,581)	Demand Factor	Per Staff
83		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
84		Total Misc. Intangible		$ (16,602,477)	$ (12,441,774)	$ (2,848,397)	$ (136,123)	$ (1,176,182)		
85	374	Land Rights								
86		Customer	PA65ACus	$ (215,041)	$ (177,079)	$ (32,877)	$ (798)	$ (4,287)	Plant Accounts 376 - 385 Cust	Per MGE
87		Demand	DEMA	$ (97,700)	$ (57,287)	$ (20,779)	$ (1,766)	$ (17,868)	Demand Factor	Per Staff
88		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
89		Total Land & Land Rights		$ (312,741)	$ (234,366)	$ (53,655)	$ (2,564)	$ (22,156)		
90	375	Structures								
91		Customer	PA65ACus	$ (813,947)	$ (670,258)	$ (124,441)	$ (3,021)	$ (16,228)	Plant Accounts 376 - 385 Cust	Per MGE
92		Demand	DEMA	$ (369,803)	$ (216,836)	$ (78,649)	$ (6,685)	$ (67,633)	Demand Factor	Per Staff
93		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
94		Total Struct. & Improvements		$ (1,183,750)	$ (887,094)	$ (203,090)	$ (9,706)	$ (83,861)		
95	376	Mains								
96		Customer	CUSA	$ (32,373,708)	$ (28,181,775)	$ (4,133,519)	$ (27,462)	$ (30,952)	Customers Alloc Factor	Per MGE
97		Demand	DEMA	$ (60,881,842)	$ (35,698,415)	$ (12,948,216)	$ (1,100,496)	$ (11,134,715)	Demand Factor	Per Staff
98		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
99		Total Mains		$ (93,255,550)	$ (63,880,190)	$ (17,081,736)	$ (1,127,958)	$ (11,165,666)		
100	378	Meas. & Reg. Sta. Equip. - General								
101		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
102		Demand	DEMA	$ (2,935,979)	$ (1,721,528)	$ (624,418)	$ (53,071)	$ (536,963)	Demand Factor	Per Staff
103		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
104		Total Meas.&Reg.Sta. Equip.-General		$ (2,935,979)	$ (1,721,528)	$ (624,418)	$ (53,071)	$ (536,963)		
105	379	Meas. & Reg. Sta. Equip. - City Gate								
106		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
107		Demand	DEMA	$ (660,610)	$ (387,352)	$ (140,497)	$ (11,941)	$ (120,819)	Demand Factor	Per Staff
108		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
109		Total Meas.&Reg.Sta. Equip.-City Gate		$ (660,610)	$ (387,352)	$ (140,497)	$ (11,941)	$ (120,819)		
110	380	Services								
111		Customer	SWCUSA	$ (115,155,562)	$ (98,388,203)	$ (14,430,941)	$ (423,776)	$ (1,912,643)	Services Wtd Alloc Factor	Per MGE
112		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
113		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
114		Total Services		$ (115,155,562)	$ (98,388,203)	$ (14,430,941)	$ (423,776)	$ (1,912,643)		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
115	381	Meters								
116		Customer	MTRWCUSA	$ (2,552,457)	$ (838,382)	$ (1,462,094)	$ (27,916)	$ (224,064)	Meters Wtd Alloc Factor	Per MGE
117		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
118		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
119		Total Meters		$ (2,552,457)	$ (838,382)	$ (1,462,094)	$ (27,916)	$ (224,064)		
120	382	Meter Installations								
121		Customer	MTRINCUSA	$ (10,462,129)	$ (8,967,580)	$ (1,315,306)	$ (34,955)	$ (144,288)	Meters Install Wtd Alloc Factor	Per MGE
122		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
123		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
124		Total Meter Installations		$ (10,462,129)	$ (8,967,580)	$ (1,315,306)	$ (34,955)	$ (144,288)		
125	383	House Regulators								
126		Customer	RWCUSA	$ (1,569,115)	$ (1,190,648)	$ (174,637)	$ (25,096)	$ (178,734)	Regulators Wtd Alloc Factor	Per MGE
127		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
128		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
129		Total House Regulators		$ (1,569,115)	$ (1,190,648)	$ (174,637)	$ (25,096)	$ (178,734)		
130	385	Electronic Gas Measurement								
131		Customer	LVSACust	$ (76,994)	$ -	$ -	$ -	$ (76,994)	LVS Direct Assignment Cust	Per MGE
132		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
133		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
134		Total Elect. Gas Measurement		$ (76,994)	$ -	$ -	$ -	$ (76,994)		
135	389-398	General Plant								
136		Customer	PayrollACust	$ (10,161,587)	$ (8,094,009)	$ (1,826,528)	$ (35,335)	$ (205,715)	Payroll Customer	New
137		Demand	PayrollADe	$ (2,448,012)	$ (1,410,311)	$ (511,536)	$ (47,326)	$ (478,840)	Payroll Demand	New
138		Commodity	PayrollAV	$ (465,526)	$ (218,893)	$ (84,672)	$ (13,804)	$ (148,158)	Payroll Volume	New
139		Total General Plant		$ (13,075,126)	$ (9,723,212)	$ (2,422,736)	$ (96,465)	$ (832,713)		
140		Total Accumulated Depreciation		$ (257,842,490)	$ (198,660,328)	$ (40,757,506)	$ (1,949,572)	$ (16,475,084)		
141										
142		Net Plant in Service		$ 531,896,277	$ 394,679,935	$ 95,303,127	$ 4,344,580	$ 37,568,635		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
143										
144		Rate Additions (Deductions)								
145		SLRP Deferrals & Deferred Taxes								
146		Customer	M&SACus	(3,672,883)	(3,154,964)	(462,750)	(10,552)	(44,618)	Mains and Services - Cust	Per MGE
147		Demand	DEMA	(1,968,658)	(1,154,334)	(418,690)	(35,585)	(360,049)	Demand Factor	Per Staff
148		Commodity	VOLA	-	-	-	-	-	Total Annual Volumes	Per Staff
149		Total SLRP Deferrals & Deferred Taxes		(5,641,541)	(4,309,298)	(881,439)	(46,137)	(404,667)		
150		Customer Deposits								
151		Customer	CUSA	(3,619,432)	(3,150,767)	(462,134)	(3,070)	(3,460)	Customers Alloc Factor	Per MGE
152		Demand	DEMA	-	-	-	-	-	Demand Factor	Per Staff
153		Commodity	VOLA	-	-	-	-	-	Total Annual Volumes	Per Staff
154		Total Customer Deposits		(3,619,432)	(3,150,767)	(462,134)	(3,070)	(3,460)		
155		Customer Advances								
156		Customer	M&SACus	(6,885,294)	(5,914,388)	(867,484)	(19,781)	(83,641)	Mains and Services - Cust	Per MGE
157		Demand	DEMA	(3,690,504)	(2,163,948)	(784,888)	(66,709)	(674,958)	Demand Factor	Per Staff
158		Commodity	VOLA	-	-	-	-	-	Total Annual Volumes	Per Staff
159		Total Customer Advances		(10,575,798)	(8,078,336)	(1,652,372)	(86,490)	(758,600)		
160		Deferred Income Taxes								
161		Customer	TPISACust	(45,493,007)	(37,349,792)	(7,067,056)	(167,874)	(908,285)	Total Plant in Service Cust	Per MGE
162		Demand	TPISADe	(19,096,215)	(11,193,907)	(4,060,156)	(345,582)	(3,496,569)	Total Plant in Service De	Per MGE
163		Commodity	TPISAV	(60,607)	(28,497)	(11,023)	(1,797)	(19,289)	Total Plant in Service Vol	Per MGE
164		Total Deferred Income Taxes		(64,649,829)	(48,572,196)	(11,138,236)	(515,254)	(4,424,143)		
165		Materials and Supplies/Prepayments								
166		Customer	TPISACust	2,011,408	1,651,367	312,460	7,422	40,159	Total Plant in Service Cust	Per MGE
167		Demand	TPISADe	844,312	494,922	179,514	15,279	154,596	Total Plant in Service De	Per MGE
168		Commodity	TPISAV	2,680	1,260	487	79	853	Total Plant in Service Vol	Per MGE
169		Total M&S/Prepayments		2,858,399	2,147,550	492,461	22,781	195,607		
170		Prepaid Pension								
171		Customer	PayrollACust	7,208,387	5,741,696	1,295,695	25,066	145,929	Payroll Customer	New
172		Demand	PayrollADe	1,736,561	1,000,441	362,871	33,572	339,678	Payroll Demand	New
173		Commodity	PayrollAV	330,233	155,277	60,064	9,792	105,100	Payroll Volume	New
174		Total Prepaid Pension		9,275,181	6,897,413	1,718,631	68,430	590,706		
175		Gas Inventory								
176		Customer	RSLGUCus	-	-	-	-	-	R/S/L GS Users Cust	New
177		Demand	RSLGUDe	48,101,139	34,517,258	12,519,798	1,064,084	-	R/S/L GS Users Demands	New
178		Commodity	RSLGUV	-	-	-	-	-	R/S/L GS Users Volumes	New
179		Total Gas Inventory		48,101,139	34,517,258	12,519,798	1,064,084	-		
180		Cash Working Capital - Purchased Gas								
181		Customer	RSLGUCus	-	-	-	-	-	R/S/L GS Users Cust	New
182		Demand	RSLGUDe	-	-	-	-	-	R/S/L GS Users Demands	New
183		Commodity	RSLGUV	2,094,730	1,444,758	558,862	91,110	-	R/S/L GS Users Volumes	New
184		Total Cash Working Capital - Purchased Gas		2,094,730	1,444,758	558,862	91,110	-		
185		Cash Working Capital - All Other								
186		Customer	TOMACust	(1,871,124)	(1,529,194)	(307,481)	(5,384)	(29,065)	Total O&M Exp Cust	Per MGE
187		Demand	TOMADe	(1,025,124)	(579,612)	(210,232)	(21,162)	(214,118)	Total O&M Exp De	Per MGE
188		Commodity	TOMAV	55,694	26,188	10,130	1,651	17,725	Total O&M Exp V	Per MGE
189		Total Cash Working Capital - All Other		(2,840,554)	(2,082,619)	(507,583)	(24,894)	(225,458)		
190		Interest Exp/Inc Tax Offsets								
191		Customer	NPISACust	(1,771,284)	(1,434,214)	(291,687)	(6,828)	(38,554)	Net Plant in Service Cust	Per Staff
192		Demand	NPISADe	(767,345)	(449,866)	(163,172)	(13,879)	(140,428)	Net Plant in Service De	Per Staff
193		Commodity	NPISAV	(1,312)	(617)	(239)	(39)	(418)	Net Plant in Service Vol	Per Staff
194		Total Interest Exp/Inc Tax Offsets		(2,539,941)	(1,884,698)	(455,097)	(20,746)	(179,400)		
195		Total Rate Base Additions (Deductions)		(27,537,646)	(23,070,935)	192,890	549,812	(5,209,413)		
196		Total Rate Base		504,358,631	371,609,000	95,496,017	4,894,393	32,359,222		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1		**Operating Expenses**								
2		Distribution Operations Expenses								
3	870	Operation Supervision & Engineering								
4		Customer	OM19ACust	$ 432,183	$ 327,468	$ 87,932	$ 2,356	$ 14,427	O&M Accounts 871 - 879 Cus	Per MGE
5		Demand	OM19ADe	$ 81,661	$ 47,738	$ 17,315	$ 1,494	$ 15,114	O&M Accounts 871 - 879 De	Per MGE
6		Commodity	OM19AV	$ 699	$ 329	$ 127	$ 21	$ 222	O&M Accounts 871 - 879 Vol	Per MGE
7		Total Operation Sup & Engineering		$ 514,543	$ 375,535	$ 105,374	$ 3,871	$ 29,763		
8	871	Load Dispatching								
9		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
10		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
11		Commodity	VOLA	$ 13,402	$ 6,302	$ 2,438	$ 397	$ 4,265	Total Annual Volumes	Per Staff
12		Total Load Dispatching		$ 13,402	$ 6,302	$ 2,438	$ 397	$ 4,265		
13	874	Mains and Services Expenses								
14		Customer	M&SACus	$ 1,678,739	$ 1,442,017	$ 211,506	$ 4,823	$ 20,393	Mains and Services - Cust	Per MGE
15		Demand	DEMA	$ 899,800	$ 527,603	$ 191,368	$ 16,265	$ 164,565	Demand Factor	Per Staff
16		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
17		Total Mains and Services		$ 2,578,539	$ 1,969,620	$ 402,873	$ 21,088	$ 184,958		
18	875	Regulator Station Expenses								
19		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
20		Demand	DEMA	$ 657,133	$ 385,314	$ 139,758	$ 11,878	$ 120,183	Demand Factor	Per Staff
21		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
22		Total Regulator Station Expenses		$ 657,133	$ 385,314	$ 139,758	$ 11,878	$ 120,183		
23	876	Measuring & Reg Station Exp-Ind.								
24		Customer	LUVACus	$ -	$ -	$ -	$ -	$ -	Large Users Customers	Per MGE
25		Demand	LUVADe	$ 4,718	$ -	$ -	$ 424	$ 4,294	Large Users Demands	Per Staff
26		Commodity	LUVAV	$ -	$ -	$ -	$ -	$ -	Large Users Annual Volume	Per Staff
27		Total Measuring & Reg Station Exp-Ind.		$ 4,718	$ -	$ -	$ 424	$ 4,294		
28	877	Measuring & Reg Station Exp-City Gate								
29		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
30		Demand	DEMA	$ 4,390	$ 2,574	$ 934	$ 79	$ 803	Demand Factor	Per Staff
31		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
32		Total Measuring & Reg Station Exp-City Gate		$ 4,390	$ 2,574	$ 934	$ 79	$ 803		
33	878	Meter and House Regulator Expenses								
34		Customer	M&RWCUSC	$ 4,344,977	$ 3,002,617	$ 1,111,629	$ 30,059	$ 200,672	Meters and Reg Wtd Alloc Factor	Per MGE
35		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
36		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
37		Total Meter and House Regulator Expenses		$ 4,344,977	$ 3,002,617	$ 1,111,629	$ 30,059	$ 200,672		
38	879	Customer Installation Expenses								
39		Customer	MRSACust	$ 2,264,352	$ 1,835,302	$ 363,150	$ 10,302	$ 55,598	Meters, Reg and Services - Cust	Per Staff
40		Demand	MRSADe	$ -	$ -	$ -	$ -	$ -	Meters, Reg and Services - De	Per Staff
41		Commodity	MRSAV	$ -	$ -	$ -	$ -	$ -	Meters, Reg and Services - Vol	Per Staff
42		Total Customer Installation Expenses		$ 2,264,352	$ 1,835,302	$ 363,150	$ 10,302	$ 55,598		
43	880	Other Expenses								
44		Customer	OM19ACust	$ 976,590	$ 739,970	$ 198,696	$ 5,324	$ 32,599	O&M Accounts 871 - 879 Cus	Per MGE
45		Demand	OM19ADe	$ 184,528	$ 107,873	$ 39,127	$ 3,375	$ 34,153	O&M Accounts 871 - 879 De	Per MGE
46		Commodity	OM19AV	$ 1,579	$ 743	$ 287	$ 47	$ 503	O&M Accounts 871 - 879 Vol	Per MGE
47		Total Other Expenses		$ 1,162,697	$ 848,586	$ 238,110	$ 8,746	$ 67,255		
48	881	Rents								
49		Customer	OM19ACust	$ 309,882	$ 234,800	$ 63,048	$ 1,689	$ 10,344	O&M Accounts 871 - 879 Cus	Per MGE
50		Demand	OM19ADe	$ 58,553	$ 34,229	$ 12,415	$ 1,071	$ 10,837	O&M Accounts 871 - 879 De	Per MGE
51		Commodity	OM19AV	$ 501	$ 236	$ 91	$ 15	$ 159	O&M Accounts 871 - 879 Vol	Per MGE
52		Total Rents		$ 368,936	$ 269,265	$ 75,555	$ 2,775	$ 21,341		
53		Total Distribution Operations Expenses		$ 11,913,687	$ 8,695,115	$ 2,439,821	$ 89,621	$ 689,131		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
54										
55		Distribution Maintenance Expenses								
56	885	Maintenance Supervision & Engineering								
57		Customer	OM73ACust	$ 379,133	$ 313,532	$ 59,423	$ 1,008	$ 5,171	O&M Accounts 887 - 893 Cust	Per MGE
58		Demand	OM73ADe	$ 504,916	$ 277,734	$ 100,737	$ 11,373	$ 115,071	O&M Accounts 887 - 893 De	Per MGE
59		Commodity	OM73AV	$ -	$ -	$ -	$ -	$ -	O&M Accounts 887 - 893 Vol	Per MGE
60		Total Maintenance Supervision & Engineering		$ 884,049	$ 591,266	$ 160,160	$ 12,381	$ 120,242		
61	886	Maintenance of Structures & Improvements								
62		Customer	OM73ACust	$ 61,046	$ 50,483	$ 9,568	$ 162	$ 833	O&M Accounts 887 - 893 Cust	Per MGE
63		Demand	OM73ADe	$ 81,299	$ 44,719	$ 16,220	$ 1,831	$ 18,528	O&M Accounts 887 - 893 De	Per MGE
64		Commodity	OM73AV	$ -	$ -	$ -	$ -	$ -	O&M Accounts 887 - 893 Vol	Per MGE
65		Total Maintenance of Struct & Improvements		$ 142,345	$ 95,203	$ 25,788	$ 1,994	$ 19,361		
66	887	Maintenance of Mains								
67		Customer	CUSA	$ 2,375,950	$ 2,068,298	$ 303,364	$ 2,016	$ 2,272	Customers Alloc Factor	Per MGE
68		Demand	DEMA	$ 4,468,199	$ 2,619,954	$ 950,287	$ 80,767	$ 817,192	Demand Factor	Per Staff
69		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
70		Total Maintenance of Mains		$ 6,844,149	$ 4,688,252	$ 1,253,651	$ 82,782	$ 819,463		
71	889	Maint. of Meas. & Reg. Sta. Equipment								
72		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
73		Demand	DEMA	$ 214,533	$ 125,793	$ 45,626	$ 3,878	$ 39,236	Demand Factor	Per Staff
74		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
75		Total Maint. of Meas. & Reg. Sta. Equipment		$ 214,533	$ 125,793	$ 45,626	$ 3,878	$ 39,236		
76	890	Maint. of Meas. & Reg. Sta. Equip. - Ind.								
77		Customer	LUVACus	$ -	$ -	$ -	$ -	$ -	Large Users Customers	New
78		Demand	LUVADe	$ 314,332	$ -	$ -	$ 28,273	$ 286,059	Large Users Demands	New
79		Commodity	LUVAV	$ -	$ -	$ -	$ -	$ -	Large Users Annual Volume	New
80		Total Maint. of Meas. & Reg. Sta. Equip. - Ind.		$ 314,332	$ -	$ -	$ 28,273	$ 286,059		
81	891	Main. Of Meas. & Reg. Sta. Equip. - City Gate								
82		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
83		Demand	DEMA	$ 81,085	$ 47,545	$ 17,245	$ 1,466	$ 14,830	Demand Factor	Per Staff
84		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
85		Total Main. Of Meas. & Reg. Sta. Equip. - City Gate		$ 81,085	$ 47,545	$ 17,245	$ 1,466	$ 14,830		
86	892	Maintenance of Services								
87		Customer	SWCUSA	$ 562,438	$ 480,544	$ 70,483	$ 2,070	$ 9,342	Services Wtd Alloc Factor	Per MGE
88		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
89		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
90		Total Maintenance of Services		$ 562,438	$ 480,544	$ 70,483	$ 2,070	$ 9,342		
91	893	Maintenance of Meters & House Regulators								
92		Customer	M&RWCUSC	$ 874,718	$ 604,478	$ 223,790	$ 6,051	$ 40,399	Meters and Reg Wtd Alloc Factor	Per MGE
93		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
94		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
95		Total Maint of Meters & House Regulators		$ 874,718	$ 604,478	$ 223,790	$ 6,051	$ 40,399		
96	894	Maintenance of Other Equipment								
97		Customer	OM73ACust	$ 98,074	$ 81,104	$ 15,371	$ 261	$ 1,338	O&M Accounts 887 - 893 Cust	Per MGE
98		Demand	OM73ADe	$ 130,611	$ 71,844	$ 26,059	$ 2,942	$ 29,766	O&M Accounts 887 - 893 De	Per MGE
99		Commodity	OM73AV	$ -	$ -	$ -	$ -	$ -	O&M Accounts 887 - 893 Vol	Per MGE
100		Total Maintenance of Other Equipment		$ 228,685	$ 152,948	$ 41,430	$ 3,203	$ 31,104		
101		Total Distribution Maintenance Expenses		$ 10,146,334	$ 6,786,028	$ 1,838,174	$ 142,097	$ 1,380,036		
102										
103		Total Distribution O & M Expenses		$ 22,060,021	$ 15,481,142	$ 4,277,994	$ 231,718	$ 2,069,167		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
104		Customer Accounts Expenses								
105	901	Supervision								
106		Customer	CUSA	$ 587,686	$ 511,589	$ 75,037	$ 499	$ 562	Customers Alloc Factor	Per MGE
107		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
108		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
109		Total Supervision		$ 587,686	$ 511,589	$ 75,037	$ 499	$ 562		
110	902	Meter Reading Expenses								
111		Customer	CUSA	$ 646,537	$ 562,820	$ 82,551	$ 548	$ 618	Customers Alloc Factor	Per MGE
112		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
113		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
114		Total Meter Reading Expenses		$ 646,537	$ 562,820	$ 82,551	$ 548	$ 618		
115	903	Customer Records & Collection Expenses								
116		Customer	CUSA	$ 10,312,224	$ 8,976,938	$ 1,316,679	$ 8,748	$ 9,859	Customers Alloc Factor	Per MGE
117		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
118		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
119		Total Customer Records & Collection Expenses		$ 10,312,224	$ 8,976,938	$ 1,316,679	$ 8,748	$ 9,859		
120	904	Uncollectible Accounts								
121		Customer	CUSA	$ 6,135,571	$ 5,341,102	$ 783,398	$ 5,205	$ 5,866	Customers Alloc Factor	Per MGE
122		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
123		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
124		Total Uncollectible Accounts		$ 6,135,571	$ 5,341,102	$ 783,398	$ 5,205	$ 5,866		
125	905	Miscellaneous Customer Accounts Expenses								
126		Customer	CUSA	$ 84,246	$ 73,337	$ 10,757	$ 71	$ 81	Customers Alloc Factor	Per MGE
127		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
128		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
129		Total Misc Customer Accounts Expenses		$ 84,246	$ 73,337	$ 10,757	$ 71	$ 81		
130		Total Customer Accounts Expenses		$ 17,766,264	$ 15,465,786	$ 2,268,421	$ 15,071	$ 16,986		
131										
132		Customer Service Expenses								
133	908	Customer Assistance								
134		Customer	CUSA	$ 422,549	$ 367,835	$ 53,952	$ 358	$ 404	Customers Alloc Factor	Per MGE
135		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
136		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
137		Total Customer Assistance		$ 422,549	$ 367,835	$ 53,952	$ 358	$ 404		
138	909	Informational & Instructional Advertising								
139		Customer	CUSA	$ 43,018	$ 37,448	$ 5,493	$ 36	$ 41	Customers Alloc Factor	Per MGE
140		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
141		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
142		Total Informational & Instr Advertising		$ 43,018	$ 37,448	$ 5,493	$ 36	$ 41		
143	910	Misc Customer Accounts Expenses								
144		Customer	CUSA	$ 11,492	$ 10,004	$ 1,467	$ 10	$ 11	Customers Alloc Factor	Per MGE
145		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
146		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
147		Total Misc Customer Accounts Expenses		$ 11,492	$ 10,004	$ 1,467	$ 10	$ 11		
148		Total Customer Service Expenses		$ 477,059	$ 415,287	$ 60,912	$ 405	$ 456		
149										

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
150		Sales and Advertising Expenses								
151	912	Demonstration and Selling Expense								
152		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
153		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
154		Commodity	VOLA	$ 242,188	$ 113,878	$ 44,050	$ 7,181	$ 77,078	Total Annual Volumes	Per Staff
155		Total Demonstration and Selling Expense		$ 242,188	$ 113,878	$ 44,050	$ 7,181	$ 77,078		
156	916	Miscellaneous Sales								
157		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
158		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
159		Commodity	VOLA	$ 1,676	$ 788	$ 305	$ 50	$ 533	Total Annual Volumes	Per Staff
160		Total Miscellaneous Sales		$ 1,676	$ 788	$ 305	$ 50	$ 533		
161		Total Sales and Advertising Expenses		$ 243,864	$ 114,666	$ 44,355	$ 7,231	$ 77,612		
162										
163		Administrative & General Expenses								
164		Payroll Related								
165		Customer	PayrollACust	$ 9,074,104	$ 7,227,795	$ 1,631,055	$ 31,554	$ 183,700	Payroll Customer	New
166		Demand	PayrollADe	$ 2,186,028	$ 1,259,381	$ 456,791	$ 42,261	$ 427,595	Payroll Demand	New
167		Commodity	PayrollAV	$ 415,706	$ 195,467	$ 75,611	$ 12,327	$ 132,302	Payroll Volume	New
168		Total Payroll Related		$ 11,675,838	$ 8,682,643	$ 2,163,457	$ 86,142	$ 743,597		
169		Property Related -924								
170		Customer	TPISACust	$ 115,500	$ 94,825	$ 17,942	$ 426	$ 2,306	Total Plant in Service Cust	Per Staff
171		Demand	TPISADe	$ 48,482	$ 28,420	$ 10,308	$ 877	$ 8,877	Total Plant in Service De	Per Staff
172		Commodity	TPISAV	$ 154	$ 72	$ 28	$ 5	$ 49	Total Plant in Service Vol	Per Staff
173		Total Property Related - 924		$ 164,136	$ 123,317	$ 28,278	$ 1,308	$ 11,232		
174		All Other Items								
175		Customer	PayrollACust	$ 10,967,459	$ 8,735,910	$ 1,971,382	$ 38,138	$ 222,029	Payroll Customer	New
176		Demand	PayrollADe	$ 2,642,154	$ 1,522,156	$ 552,103	$ 51,079	$ 516,815	Payroll Demand	New
177		Commodity	PayrollAV	$ 502,445	$ 236,252	$ 91,387	$ 14,899	$ 159,907	Payroll Volume	New
178		Total All Other Items		$ 14,112,058	$ 10,494,318	$ 2,614,873	$ 104,116	$ 898,752		
179		Interest on Customer Deposits								
180		Customer	PayrollACust	$ 137,255	$ 109,328	$ 24,671	$ 477	$ 2,779	Payroll Customer	New
181		Demand	PayrollADe	$ -	$ -	$ -	$ -	$ -	Payroll Demand	New
182		Commodity	PayrollAV	$ -	$ -	$ -	$ -	$ -	Payroll Volume	New
183		Total Interest on Customer Deposits		$ 137,255	$ 109,328	$ 24,671	$ 477	$ 2,779		
184		Administrative & General Expenses		$ 26,089,287	$ 19,409,606	$ 4,831,280	$ 192,043	$ 1,656,359		
185										
186		Total Operations and Maintenance Expense		$ 66,636,495	$ 50,886,487	$ 11,482,961	$ 446,467	$ 3,820,580		
187										

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
188		Depreciation Expense								
189	303	Miscellaneous Intangible								
190		Customer	DistACust	$ -	$ -	$ -	$ -	$ -	Dist. Plant Cust	Per MGE
191		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
192		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
193		Total Miscellaneous Intangible		$ -	$ -	$ -	$ -	$ -		
194	374	Land Rights								
195		Customer	PA65ACus	$ 19,754	$ 16,267	$ 3,020	$ 73	$ 394	Plant Accounts 376 - 385 Cust	Per MGE
196		Demand	DEMA	$ 8,975	$ 5,262	$ 1,909	$ 162	$ 1,641	Demand Factor	Per Staff
197		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
198		Total Land Rights		$ 28,729	$ 21,529	$ 4,929	$ 236	$ 2,035		
199	375	Structures								
200		Customer	PA65ACus	$ 68,815	$ 56,667	$ 10,521	$ 255	$ 1,372	Plant Accounts 376 - 385 Cust	Per MGE
201		Demand	DEMA	$ 31,265	$ 18,332	$ 6,649	$ 565	$ 5,718	Demand Factor	Per Staff
202		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
203		Total Structures		$ 100,080	$ 74,999	$ 17,170	$ 821	$ 7,090		
204	376	Mains								
205		Customer	CUSA	$ 2,444,031	$ 2,127,564	$ 312,057	$ 2,073	$ 2,337	Customers Alloc Factor	Per MGE
206		Demand	DEMA	$ 4,596,233	$ 2,695,027	$ 977,517	$ 83,081	$ 840,608	Demand Factor	Per Staff
207		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
208		Total Mains		$ 7,040,264	$ 4,822,591	$ 1,289,574	$ 85,154	$ 842,944		
209	378	Meas. & Reg. Sta. Equip. - General								
210		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
211		Demand	DEMA	$ 319,239	$ 187,188	$ 67,895	$ 5,771	$ 58,386	Demand Factor	Per Staff
212		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
213		Total Meas. & Reg. Sta. Equip. - General		$ 319,239	$ 187,188	$ 67,895	$ 5,771	$ 58,386		
214	379	Meas. & Reg. Sta. Equip. - City Gate								
215		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
216		Demand	DEMA	$ 68,410	$ 40,113	$ 14,549	$ 1,237	$ 12,512	Demand Factor	Per Staff
217		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
218		Total Meas. & Reg. Sta. Equip. - City Gate		$ 68,410	$ 40,113	$ 14,549	$ 1,237	$ 12,512		
219	380	Services								
220		Customer	SWCUSA	$ 6,131,063	$ 5,238,342	$ 768,326	$ 22,562	$ 101,832	Services Wtd Alloc Factor	Per MGE
221		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
222		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
223		Total Services		$ 6,131,063	$ 5,238,342	$ 768,326	$ 22,562	$ 101,832		
224	381	Meters								
225		Customer	MTRWCUSA	$ 835,339	$ 274,376	$ 478,498	$ 9,136	$ 73,329	Meters Wtd Alloc Factor	Per MGE
226		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
227		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
228		Total Meters		$ 835,339	$ 274,376	$ 478,498	$ 9,136	$ 73,329		
229	382	Meter Installations								
230		Customer	MTRINCUSA	$ 1,701,037	$ 1,458,038	$ 213,856	$ 5,683	$ 23,460	Meters Install Wtd Alloc Factor	Per MGE
231		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
232		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
233		Total Meter Installations		$ 1,701,037	$ 1,458,038	$ 213,856	$ 5,683	$ 23,460		
234	383	House Regulators								
235		Customer	RWCUSA	$ 256,399	$ 194,556	$ 28,536	$ 4,101	$ 29,206	Regulators Wtd Alloc Factor	Per MGE
236		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
237		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
238		Total House Regulators		$ 256,399	$ 194,556	$ 28,536	$ 4,101	$ 29,206		
239	385	Electronic Gas Measurement								
240		Customer	LVSACust	$ 11,517	$ -	$ -	$ -	$ 11,517	LVS Direct Assignment Cust	Per MGE
241		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
242		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
243		Total Electronic Gas Measurement		$ 11,517	$ -	$ -	$ -	$ 11,517		
244	389-398	General Plant								
245		Customer	PayrollACust	$ 2,240,422	$ 1,784,563	$ 402,712	$ 7,791	$ 45,356	Payroll Customer	New
246		Demand	PayrollADe	$ 539,737	$ 310,945	$ 112,783	$ 10,434	$ 105,574	Payroll Demand	New
247		Commodity	PayrollAV	$ 102,639	$ 48,261	$ 18,668	$ 3,043	$ 32,666	Payroll Volume	New
248		Total General Plant		$ 2,882,798	$ 2,143,769	$ 534,164	$ 21,269	$ 183,596		
249		Total Depreciation Expense		$ 19,374,875	$ 14,455,503	$ 3,417,496	$ 155,969	$ 1,345,907		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
250	404-405	Amortization Expense -SLRP								
251		Customer	M&SACus	$ 2,019,522	$ 1,734,746	$ 254,441	$ 5,802	$ 24,533	Mains and Services - Cust	Per MGE
252		Demand	DEMA	$ 1,082,460	$ 634,706	$ 230,215	$ 19,566	$ 197,972	Demand Factor	Per Staff
253		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
254		Total Amortization Expense - SLRP		$ 3,101,982	$ 2,369,453	$ 484,656	$ 25,368	$ 222,504		
255	404-405	Amortization Expense - Other								
256		Customer	DistACust	$ 169,461	$ 139,545	$ 25,908	$ 629	$ 3,379	Dist. Plant Cust	Per MGE
257		Demand	DEMA	$ 76,991	$ 45,144	$ 16,374	$ 1,392	$ 14,081	Demand Factor	Per Staff
258		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
259		Total Amortization Expense - Other		$ 246,452	$ 184,689	$ 42,282	$ 2,021	$ 17,460		
260		Total Amortization Expense		$ 3,348,434	$ 2,554,142	$ 526,939	$ 27,389	$ 239,964		
261		Total Depreciation and Amortization Expense		$ 22,723,309	$ 17,009,644	$ 3,944,435	$ 183,358	$ 1,585,871		
262	408	Taxes Other Than Income Taxes - Payroll								
263		Customer	PayrollACust	$ 1,427,883	$ 1,137,352	$ 256,660	$ 4,965	$ 28,907	Payroll Customer	New
264		Demand	PayrollADe	$ 343,989	$ 198,174	$ 71,880	$ 6,650	$ 67,286	Payroll Demand	New
265		Commodity	PayrollAV	$ 65,415	$ 30,758	$ 11,898	$ 1,940	$ 20,819	Payroll Volume	New
266		Total Taxes Other Than Income Tax - Payroll		$ 1,837,287	$ 1,366,284	$ 340,437	$ 13,555	$ 117,011		
267	408	Taxes Other Than Income Taxes - Plant								
268		Customer	TPISACust	$ 6,145,329	$ 5,045,320	$ 954,639	$ 22,677	$ 122,694	Total Plant in Service Cust	Per MGE, Staff
269		Demand	TPISADe	$ 2,579,573	$ 1,512,106	$ 548,458	$ 46,682	$ 472,327	Total Plant in Service De	Per MGE, Staff
270		Commodity	TPISAV	$ 8,187	$ 3,850	$ 1,489	$ 243	$ 2,606	Total Plant in Service Vol	Per MGE, Staff
271		Total Taxes Other Than Income Tax - Plant		$ 8,733,089	$ 6,561,275	$ 1,504,586	$ 69,602	$ 597,626		
272		Total Taxes Other Than Income Taxes		$ 10,570,376	$ 7,927,559	$ 1,845,023	$ 83,157	$ 714,637		
273	431	Interest on Customer Deposits								
274		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
275		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
276		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
277		Total Interest on Customer Deposits		$ -	$ -	$ -	$ -	$ -		
278		Return								
279		Customer	RBACust	$ 21,576,556	$ 17,380,796	$ 3,624,666	$ 84,919	$ 486,175	Total Rate Base Cus	Per MGE, Staff
280		Demand	RBADe	$ 12,586,652	$ 7,805,799	$ 2,831,251	$ 240,940	$ 1,708,663	Total Rate Base De	Per MGE, Staff
281		Commodity	RBAV	$ 183,614	$ 118,309	$ 45,765	$ 7,461	$ 12,079	Total Rate Base Vol	Per MGE, Staff
282		Total Return		$ 34,346,823	$ 25,304,904	$ 6,501,681	$ 333,320	$ 2,206,918		
283		Income Taxes								
284		Customer	RBACust	$ 5,468,352	$ 4,404,980	$ 918,634	$ 21,522	$ 123,216	Total Rate Base Cus	Per MGE, Staff
285		Demand	RBADe	$ 3,189,955	$ 1,978,298	$ 717,551	$ 61,064	$ 433,043	Total Rate Base De	Per MGE, Staff
286		Commodity	RBAV	$ 46,535	$ 29,984	$ 11,599	$ 1,891	$ 3,061	Total Rate Base Vol	Per MGE, Staff
287		Total Income Taxes		$ 8,704,842	$ 6,413,262	$ 1,647,783	$ 84,476	$ 559,320		
288										
289		Total Cost of Service Before Revenue Credits	COSC	$ 142,981,845	$ 107,541,856	$ 25,421,884	$ 1,130,779	$ 8,887,326		
290		Customer		$ 103,411,203	$ 84,222,657	$ 16,944,816	$ 344,382	$ 1,899,347		
291		Demand		$ 37,985,902	$ 22,533,971	$ 8,173,325	$ 736,878	$ 6,541,728		
292		Commodity		$ 1,584,740	$ 785,228	$ 303,743	$ 49,518	$ 446,251		
293		Total Cost of Service Before Revenue Credits		$ 142,981,845	$ 107,541,856	$ 25,421,884	$ 1,130,779	$ 8,887,326		
294										
295		Revenue Credits								
296		Customer	CUSA	$ 3,374,140	$ 2,937,237	$ 430,815	$ 2,862	$ 3,226	Customers Alloc Factor	
297		Demand	DEMA	$ 1,239,418	$ 726,740	$ 263,597	$ 22,404	$ 226,678	Demand Factor	
298		Commodity	VOLA	$ 51,707	$ 24,313	$ 9,405	$ 1,533	$ 16,456	Total Annual Volumes	
299		Total Revenue Credits		$ 4,665,266	$ 3,688,290	$ 703,816	$ 26,799	$ 246,360		
300										
301		Total Net Cost of Service								
302		Customer		$ 100,037,063	$ 81,285,420	$ 16,514,001	$ 341,520	$ 1,896,122		
303		Demand		$ 36,746,484	$ 21,807,231	$ 7,909,728	$ 714,474	$ 6,315,050		
304		Commodity		$ 1,533,032	$ 760,915	$ 294,338	$ 47,985	$ 429,794		
305		Total Net Cost of Service		$ 138,316,579	$ 103,853,566	$ 24,718,067	$ 1,103,980	$ 8,640,966		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1		*Allocation Factors*								
2		**Customers**		501,005	436,132	63,969	425	479		Per Staff
3		**Customer Factor**	CUSA	**100.000%**	**87.051%**	**12.768%**	**0.085%**	**0.096%**	Customers Alloc Factor	
4										
5		Weighting				1.00	4.02	19.61		Per Staff
6		Weighted Non-Residential Customers		75,072	-	63,969	1,709	9,394		Per Staff
7		**Non-Residential Customer Factor**	WNRCUSC	**100.000%**	**0.000%**	**85.210%**	**2.276%**	**12.514%**	Wtd Non-Res Cust Alloc Factor	
8										
9		Mains Cust Factors								
10		Weighted Customers		501,005	436,132	63,969	425	479		Per MGE
11		**Weighted Mains Customer Factor**	MWCUSA	**100.000%**	**87.051%**	**12.768%**	**0.085%**	**0.096%**	Mains Wtd Cust Alloc Factor	
12										
13		Services Weighting			1.00	1.00	4.42	17.70		Per MGE
14		Weighted Customers		510,458	436,132	63,969	1,879	8,478		
15		**Weighted Services Factor**	SWCUSA	**100.000%**	**85.439%**	**12.532%**	**0.368%**	**1.661%**	Services Wtd Alloc Factor	
16										
17		Meters Weighting			1.00	11.89	34.17	243.34		Per MGE
18		Weighted Customers		1,327,806	436,132	760,591	14,522	116,560		
19		**Weighted Meters Factor**	MTRWCUSA	**100.000%**	**32.846%**	**57.282%**	**1.094%**	**8.778%**	Meters Wtd Alloc Factor	
20										
21		Meter Installation Weighting			1.00	1.00	4.00	14.65		Per MGE
22		Weighted Customers		508,818	436,132	63,969	1,700	7,017		
23		**Weighted Meter Installation**	MTRINCUSA	**100.000%**	**85.715%**	**12.572%**	**0.334%**	**1.379%**	Meters Install Wtd Alloc Factor	
24										
25		Regulators Weighting			1.00	1.00	21.63	136.68		Per MGE
26		Weighted Customers		574,763	436,132	63,969	9,193	65,470		
27		**Weighted Regulators Factor**	RWCUSA	**100.000%**	**75.880%**	**11.130%**	**1.599%**	**11.391%**	Regulators Wtd Alloc Factor	
28										
29		Meters and Regulators Weighting								
30		Weighted Customers		99,192,648	68,547,555	25,377,675	686,229	4,581,189		Per MGE
31		**Weighted Meters and Regulators Factor**	M&RWCUSC	**100.000%**	**69.105%**	**25.584%**	**0.692%**	**4.618%**	Meters and Reg Wtd Alloc Factor	
32										
33		Mains & Services - Customer		377,757,462	324,489,279	47,593,973	1,085,276	4,588,934		Per MGE
34		**Weighted Mains and Services Factor**	M&SCUSC	**100.000%**	**85.899%**	**12.599%**	**0.287%**	**1.215%**	Mains & Services - Customer	

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
35										
36		Demands		7,382,524	4,328,785	1,570,099	133,446	1,350,194		Per Staff
37		**Demand Factor**	DEMA	**100.000%**	**58.636%**	**21.268%**	**1.808%**	**18.289%**	Demand Factor	
38										
39		Total Annual Volumes		846,382,868	397,973,032	153,944,265	25,097,071	269,368,500		Per Staff
40		**Total Volume Factor**	VOLA	**100.000%**	**47.020%**	**18.188%**	**2.965%**	**31.826%**	Total Annual Volumes	
41										
42		Res/Small/Large General Service Users Customers		500,526	436,132	63,969	425	-		
43		**Res/Small/Large Gen User Customer Factor**	RSLGUCus	**100.000%**	**87.135%**	**12.780%**	**0.085%**	**0.000%**	R/S/L GS Users Cust	
44		Res/Small/Large General Service Users Demands		6,032,330	4,328,785	1,570,099	133,446	-		
45		**Res/Small/Large Gen User Demand Factor**	RSLGUDe	**100.000%**	**71.760%**	**26.028%**	**2.212%**	**0.000%**	R/S/L GS Users Demands	
46		Res/Small/Large General Service Users Volumes		577,014,368	397,973,032	153,944,265	25,097,071	-		
47		**Res/Small/Large Gen User Volume Factor**	RSLGUV	**100.000%**	**68.971%**	**26.679%**	**4.349%**	**0.000%**	R/S/L GS Users Volumes	
48										
49		Res/Small General Service Users Customers		500,101	436,132	63,969	-	-		
50		**Res/Small Gen User Customer Factor**	RSGUCus	**100.000%**	**87.209%**	**12.791%**	**0.000%**	**0.000%**	R/S GS Users Customers	
51		Res/Small General Service Users Demands		5,898,884	4,328,785	1,570,099	-	-		
52		**Res/Small Gen User Demand Factor**	RSGUDe	**100.000%**	**73.383%**	**26.617%**	**0.000%**	**0.000%**	R/S GS Users Demands	
53		Res/Small General Service Users Volumes		551,917,297	397,973,032	153,944,265	-	-		
54		**Res/Small Gen User Volume Factor**	RSGUV	**100.000%**	**72.107%**	**27.893%**	**0.000%**	**0.000%**	R/S GS Users Volumes	
55										
56		Large Users Customers		904	-	-	425	479		
57		**Large User Customer Factor**	LUVACus	**100.000%**	**0.000%**	**0.000%**	**47.013%**	**52.987%**	Large Users Customers	
58		Large Users Demands		1,483,640	-	-	133,446	1,350,194		
59		**Large User Demand Factor**	LUVADe	**100.000%**	**0.000%**	**0.000%**	**8.995%**	**91.005%**	Large Users Demands	
60		Large Users Annual Volume (Ccf)		294,465,571	-	-	25,097,071	269,368,500		
61		**Large User Volume Factor**	LUVAV	**100.000%**	**0.000%**	**0.000%**	**8.523%**	**91.477%**	Large Users Annual Volume	
62										
63		**Rate of Return**		6.81%	**6.81%**	**6.81%**	**6.81%**	**6.81%**		Per Staff

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
64		Allocation Factors Continued								
65	**Internal Allocators**									
66		Plant Accounts 376 - 385								
67		Customer		$ 477,295,967	$ 393,036,834	$ 72,971,648	$ 1,771,505	$ 9,515,980		
68			PA65ACus	**100.000%**	**82.347%**	**15.289%**	**0.371%**	**1.994%**	Plant Accounts 376 - 385 Cust	
69		Demand		$ 216,851,183	$ 127,151,927	$ 46,119,434	$ 3,919,787	$ 39,660,036		
70			PA65ADe	**100.000%**	**58.636%**	**21.268%**	**1.808%**	**18.289%**	Plant Accounts 376 - 385 De	
71		Commodity		$ -	$ -	$ -	$ -	$ -		
72			PA65AV	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	Plant Accounts 376 - 385 Vol	
73		Total Plant Accts 376 - 385		$ 694,147,150	$ 520,188,760	$ 119,091,082	$ 5,691,292	$ 49,176,016		
74			TPA65A	**100.000%**	**74.939%**	**17.156%**	**0.820%**	**7.084%**	Total Plant Accounts 376 - 385	
75										
76		Mains and Services								
77		Customer		$ 377,757,462	$ 324,489,279	$ 47,593,973	$ 1,085,276	$ 4,588,934		
78			M&SACus	**100.000%**	**85.899%**	**12.599%**	**0.287%**	**1.215%**	Mains and Services - Cust	
79		Demand		$ 202,477,218	$ 118,723,670	$ 43,062,410	$ 3,659,964	$ 37,031,173		
80			M&SADe	**100.000%**	**58.636%**	**21.268%**	**1.808%**	**18.289%**	Mains and Services - De	
81		Commodity		$ -	$ -	$ -	$ -	$ -		
82			M&SAV	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	Mains and Services - Vol	
83		Total Mains and Services		$ 580,234,680	$ 443,212,949	$ 90,656,384	$ 4,745,240	$ 41,620,107		
84			M&SC	**100.000%**	**76.385%**	**15.624%**	**0.818%**	**7.173%**	Total Plant Accounts 376 - 385	
85										
86		Meters, Regulators and Services								
87	MRSAC	Customer		$ 369,283,551	$ 299,311,558	$ 59,224,636	$ 1,680,172	$ 9,067,186		
88			MRSACust	**100.000%**	**81.052%**	**16.038%**	**0.455%**	**2.455%**	Meters, Reg and Services - Cust	
89	MRSAD	Demand		$ -	$ -	$ -	$ -	$ -		
90			MRSADe	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	Meters, Reg and Services - De	
91	MRSAV	Commodity		$ -	$ -	$ -	$ -	$ -		
92			MRSAV	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	Meters, Reg and Services - Vol	
93		Total Meters, Regulators and Services		$ 369,283,551	$ 299,311,558	$ 59,224,636	$ 1,680,172	$ 9,067,186		
94				**100.000%**	**81.052%**	**16.038%**	**0.455%**	**2.455%**	Total Plant Accounts 376 - 385	
95										
96		Distribution Plant								
97		Customer		$ 482,577,097	$ 397,385,663	$ 73,779,057	$ 1,791,106	$ 9,621,272		
98			DistACust	**100.000%**	**82.347%**	**15.289%**	**0.371%**	**1.994%**	Dist. Plant Cust	
99		Demand		$ 219,250,574	$ 128,558,823	$ 46,629,731	$ 3,963,158	$ 40,098,862		
100			DistADe	**100.000%**	**58.636%**	**21.268%**	**1.808%**	**18.289%**	Dist. Plant De	
101		Commodity		$ -	$ -	$ -	$ -	$ -		
102			DistAV	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	Dist. Plant Vol	
103		Total Distribution Plant		$ 701,827,671	$ 525,944,486	$ 120,408,787	$ 5,754,264	$ 49,720,133		
104			TDistA	**100.000%**	**74.939%**	**17.156%**	**0.820%**	**7.084%**	Total Distribution Plant	
105										
106		General Plant								
107		Customer		$ 50,855,441	$ 40,507,882	$ 9,141,181	$ 176,843	$ 1,029,536		
108			GenACust	**100.000%**	**79.653%**	**17.975%**	**0.348%**	**2.024%**	General Plant Cust	
109		Demand		$ 3,893,184	$ 2,242,881	$ 813,518	$ 75,265	$ 761,521		
110			GenADe	**100.000%**	**57.610%**	**20.896%**	**1.933%**	**19.560%**	General Plant De	
111		Commodity		$ 740,347	$ 348,115	$ 134,658	$ 21,953	$ 235,622		
112			GenAV	**100.000%**	**47.020%**	**18.188%**	**2.965%**	**31.826%**	General Plant Vol	
113		Total General Plant		55,488,973	43,098,877	10,089,357	274,060	2,026,679		
114			GenA	**100.000%**	**77.671%**	**18.183%**	**0.494%**	**3.652%**	Total General Plant	

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
		Allocation Factors Continued								
115		Distribution and General Plant								
116	DGPC	Customer		$ 533,432,538	$ 437,893,545	$ 82,920,237	$ 1,967,948	$ 10,650,808		
117			Dist&GenACust	**100.000%**	**82.090%**	**15.545%**	**0.369%**	**1.997%**	Dist and General Plant Cust	
118	DGPD	Demand		$ 223,143,758	$ 130,801,704	$ 47,443,249	$ 4,038,423	$ 40,860,383		
119			Dist&GenADe	**100.000%**	**58.618%**	**21.261%**	**1.810%**	**18.311%**	Dist and General Plant De	
120	DGPV	Commodity		$ 740,347	$ 348,115	$ 134,658	$ 21,953	$ 235,622		
121			Dist&GenAV	**100.000%**	**47.020%**	**18.188%**	**2.965%**	**31.826%**	Dist and General Plant Vol	
122		Total Distribution and General Plant		757,316,644	569,043,363	130,498,144	6,028,324	51,746,812		
123			Dist&GenA	**100.000%**	**75.139%**	**17.232%**	**0.796%**	**6.833%**	Total Dist and Gen Plant	
124		Total Plant in Service								
125	TPISC	Customer		$ 555,726,008	$ 456,251,452	$ 86,328,586	$ 2,050,691	$ 11,095,279		
126			TPISACust	**100.000%**	**82.100%**	**15.534%**	**0.369%**	**1.997%**	Total Plant in Service Cust	
127	TPISD	Demand		$ 233,272,412	$ 136,740,697	$ 49,597,389	$ 4,221,508	$ 42,712,818		
128			TPISADe	**100.000%**	**58.618%**	**21.262%**	**1.810%**	**18.310%**	Total Plant in Service De	
129	TPISV	Commodity		$ 740,347	$ 348,115	$ 134,658	$ 21,953	$ 235,622		
130			TPISAV	**100.000%**	**47.020%**	**18.188%**	**2.965%**	**31.826%**	Total Plant in Service Vol	
131		Total Plant in Service		789,738,769	593,340,265	136,060,633	6,294,152	54,043,719		
132			TPISC	**100.000%**	**75.131%**	**17.229%**	**0.797%**	**6.843%**	Total Plant in Service	
133										
134		Net Plant in Service								
135	NetPC	Customer		$ 370,929,595	$ 300,342,940	$ 61,082,922	$ 1,429,960	$ 8,073,773		
136			NPISACust	**100.000%**	**80.970%**	**16.468%**	**0.386%**	**2.177%**	Net Plant in Service Cust	
137	NetPD	Demand		$ 160,691,861	$ 94,207,773	$ 34,170,219	$ 2,906,471	$ 29,407,398		
138			NPISADe	**100.000%**	**58.626%**	**21.264%**	**1.809%**	**18.300%**	Net Plant in Service De	
139	NetPV	Commodity		$ 274,821	$ 129,222	$ 49,986	$ 8,149	$ 87,464		
140			NPISAV	**100.000%**	**47.020%**	**18.188%**	**2.965%**	**31.826%**	Net Plant in Service Vol	
141		Total Net Plant in Service		$ 531,896,277	$ 394,679,935	$ 95,303,127	$ 4,344,580	$ 37,568,635		
142										
143										
144		Total Rate Base								
145	RBC	Customer		$ 318,707,489	$ 256,731,877	$ 53,539,967	$ 1,254,343	$ 7,181,302		
146			RBACust	**100.000%**	**80.554%**	**16.799%**	**0.394%**	**2.253%**	Total Rate Base Cus	
147	RBD	Demand		$ 185,851,151	$ 115,258,339	$ 41,805,496	$ 3,557,650	$ 25,229,667		
148			RBADe	**100.000%**	**62.016%**	**22.494%**	**1.914%**	**13.575%**	Total Rate Base De	
149	RBV	Commodity		$ 2,640,545	$ 1,701,403	$ 658,138	$ 107,294	$ 173,710		
150			RBAV	**100.000%**	**64.434%**	**24.924%**	**4.063%**	**6.579%**	Total Rate Base Vol	
151		Total Rate Base		507,199,187	373,691,620	96,003,601	4,919,287	32,584,679		
152				**100.000%**	**73.677%**	**18.928%**	**0.970%**	**6.424%**	Total Rate Base	

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
153		Allocation Factors Continued								
154		O&M Accounts 871 - 879								
155	OMA19C	Customer		$ 8,288,068	6,279,936	1,686,285	45,184	276,662		
156			OM19ACust	**100.000%**	**75.771%**	**20.346%**	**0.545%**	**3.338%**	O&M Accounts 871 - 879 Cus	
157	OMA19D	Demand		$ 1,566,041	915,491	332,059	28,647	289,845		
158			OM19ADe	**100.000%**	**58.459%**	**21.204%**	**1.829%**	**18.508%**	O&M Accounts 871 - 879 De	
159	OMA19V	Commodity		$ 13,402	6,302	2,438	397	4,265		
160			OM19AV	**100.000%**	**47.020%**	**18.188%**	**2.965%**	**31.826%**	O&M Accounts 871 - 879 Vol	
161		Total O&M Accounts 871 - 879		$ 9,867,511	$ 7,201,728	$ 2,020,781	$ 74,229	$ 570,773		
162				**100.000%**	**72.984%**	**20.479%**	**0.752%**	**5.784%**	Total O&M Accounts 871 - 879	
163										
164		O&M Accounts 887 - 893								
165	OMA73C	Customer		$ 3,813,106	3,153,320	597,637	10,137	52,012		
166			OM73ACust	**100.000%**	**82.697%**	**15.673%**	**0.266%**	**1.364%**	O&M Accounts 887 - 893 Cust	
167	OMA73D	Demand		$ 5,078,149	2,793,291	1,013,158	114,383	1,157,317		
168			OM73ADe	**100.000%**	**55.006%**	**19.951%**	**2.252%**	**22.790%**	O&M Accounts 887 - 893 De	
169	OMA73V	Commodity		$ -	-	-	-	-		
170			OM73AV	**0.000%**	**0.000%**	**0.000%**	**0.000%**	**0.000%**	O&M Accounts 887 - 893 Vol	
171		Total O&M Accounts 887 - 893		$ 8,891,255	$ 5,946,611	$ 1,610,796	$ 124,520	$ 1,209,329		
172				**100.000%**	**66.882%**	**18.117%**	**1.400%**	**13.601%**	Total O&M Accounts 887 - 893	
173										
174		Total O&M Expenses								
175	TO&MC	Customer		$ 52,895,722	$ 43,229,544	$ 8,692,344	$ 152,193	$ 821,642		
176			TOMACust	**100.000%**	**81.726%**	**16.433%**	**0.288%**	**1.553%**	Total O&M Exp Cust	
177	TO&MD	Demand		$ 12,562,423	$ 7,102,877	$ 2,576,293	$ 259,334	$ 2,623,918		
178			TOMADe	**100.000%**	**56.541%**	**20.508%**	**2.064%**	**20.887%**	Total O&M Exp De	
179	TO&MV	Commodity		$ 1,178,350	$ 554,066	$ 214,324	$ 34,941	$ 375,020		
180			TOMAV	**100.000%**	47.020%	**18.188%**	2.965%	**31.826%**	Total O&M Exp V	
181		Total O&M Expenses		$ 66,636,495	$ 50,886,487	$ 11,482,961	$ 446,467	$ 3,820,580		
182										
183										
184		Total COS Before Revenue Credits								
185		Customer		$ 103,411,203	$ 84,222,657	$ 16,944,816	$ 344,382	$ 1,899,347		
186			COSACust	**100.000%**	**81.444%**	**16.386%**	**0.333%**	**1.837%**		
187		Demand		$ 37,985,902	$ 22,533,971	$ 8,173,325	$ 736,878	$ 6,541,728		
188			COSADe	**100.000%**	**59.322%**	**21.517%**	**1.940%**	**17.221%**		
189		Commodity		$ 1,584,740	$ 785,228	$ 303,743	$ 49,518	$ 446,251		
190			COSAV	**100.000%**	**49.549%**	**19.167%**	**3.125%**	**28.159%**		
191		Total O&M COS Before Revenue Credits		$ 142,981,845	$ 107,541,856	$ 25,421,884	$ 1,130,779	$ 8,887,326		
192				**100.000%**	**75.214%**	**17.780%**	**0.791%**	**6.216%**		
193		LVS Direct Assignment								
194		Customer		$ 1	$ -	$ -	$ -	1.00		
195			LVSACust	**100.000%**	**0.000%**	**0.000%**	**0.000%**	**100.000%**	LVS Direct Assignment Cust	
196		Demand		$ 1	$ -	$ -	$ -	1.00		
197			LVSADe	**100.000%**	**0.000%**	**0.000%**	**0.000%**	**100.000%**	LVS Direct Assignment De	
198		Commodity		$ 1	$ -	$ -	$ -	1.00		
199			LVSAV	**100.000%**	**0.000%**	**0.000%**	**0.000%**	**100.000%**	LVS Direct Assignment Vol	

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
200		Allocation Factors Continued								
201		**Labor Allocation Factors**								
202		Distribution Operation Exp								
203	870	Supervision & Engineering								
204		Customer	OM19ACust	$ 340,526	$ 258,019	$ 69,283	$ 1,856	$ 11,367	O&M Accounts 871 - 879 Cus	Per MGE
205		Demand	OM19ADe	$ 64,343	$ 37,614	$ 13,643	$ 1,177	$ 11,909	O&M Accounts 871 - 879 De	Per MGE
206		Commodity	OM19AV	$ 551	$ 259	$ 100	$ 16	$ 175	O&M Accounts 871 - 879 Vol	Per MGE
207		Total Supervision & Engineering		$ 405,419	$ 295,892	$ 83,026	$ 3,050	$ 23,451		
208										
209	871	Load Dispatch								
210		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
211		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
212		Commodity	VOLA	$ 616	$ 290	$ 112	$ 18	$ 196	Total Annual Volumes	Per Staff
213		Total Load Dispatch		$ 616	$ 290	$ 112	$ 18	$ 196		
214										
215	874	Main & Services								
216		Customer	M&SACus	$ 208,026	$ 178,692	$ 26,209	$ 598	$ 2,527	Mains and Services - Cust	Per MGE, Staff
217		Demand	DEMA	$ 111,501	$ 65,379	$ 23,714	$ 2,015	$ 20,393	Demand Factor	Per Staff
218		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
219		Total Mains and Services		$ 319,527	$ 244,071	$ 49,923	$ 2,613	$ 22,920		
220										
221	875	Meas & Reg Sta. - General	VOLC							
222		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
223		Demand	DEMA	$ 456,459	$ 267,647	$ 97,079	$ 8,251	$ 83,482	Demand Factor	Per Staff
224		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
225		Total Meas & Reg Sta.-General		$ 456,459	$ 267,647	$ 97,079	$ 8,251	$ 83,482		
226										
227	876	Meas & Reg Sta. - Ind.	VOLC							
228		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
229		Demand	DEMA	$ 16,336	$ 9,579	$ 3,474	$ 295	$ 2,988	Demand Factor	Per Staff
230		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
231		Total Meas & Reg Sta.-Ind.		$ 16,336	$ 9,579	$ 3,474	$ 295	$ 2,988		
232										
233	877	Meas & Reg Sta.-City Gate	VOLC							
234		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
235		Demand	DEMA	$ 2,179	$ 1,278	$ 463	$ 39	$ 399	Demand Factor	Per Staff
236		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
237		Total Meas & Reg Sta.-City Gate		$ 2,179	$ 1,278	$ 463	$ 39	$ 399		
238										
239	878	Meter & House Reg								
240		Customer	M&RWCUSC	$ 3,043,982	$ 2,103,558	$ 778,779	$ 21,059	$ 140,586	Meters and Reg Wtd Alloc Factor	Per MGE
241		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
242		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
243		Total Meter & House Reg		$ 3,043,982	$ 2,103,558	$ 778,779	$ 21,059	$ 140,586		
244										
245	879	Customer Install. - Other	CUSC							
246		Customer	M&RWCUSC	$ 2,027,096	$ 1,400,834	$ 518,617	$ 14,024	$ 93,621	Meters and Reg Wtd Alloc Factor	Per MGE
247		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
248		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
249		Total Customer Install. -Other		$ 2,027,096	$ 1,400,834	$ 518,617	$ 14,024	$ 93,621		
250										
251	880	Other Operation Expenses								
252		Customer	OM19ACust	$ 578,497	$ 438,332	$ 117,701	$ 3,154	$ 19,311	O&M Accounts 871 - 879 Cus	Per MGE
253		Demand	OM19ADe	$ 109,308	$ 63,900	$ 23,177	$ 2,000	$ 20,231	O&M Accounts 871 - 879 De	Per MGE
254		Commodity	OM19AV	$ 935	$ 440	$ 170	$ 28	$ 298	O&M Accounts 871 - 879 Vol	Per MGE
255		Total Other Operation Expenses		$ 688,740	$ 502,672	$ 141,048	$ 5,181	$ 39,839		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor Description	Allocation Factor Alloc Factors Developed By
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
256		Allocation Factors Continued								
257	881	Rents		$ -						
258		Customer	OM19ACust	$ -	$ -	$ -	$ -	$ -	O&M Accounts 871 - 879 Cus	Per MGE
259		Demand	OM19ADe	$ -	$ -	$ -	$ -	$ -	O&M Accounts 871 - 879 De	Per MGE
260		Commodity	OM19AV	$ -	$ -	$ -	$ -	$ -	O&M Accounts 871 - 879 Vol	Per MGE
261		Total Rents		$ -	$ -	$ -	$ -	$ -		
262										
263		Total Distribution Oper.		$ 6,960,354	$ 4,825,821	$ 1,672,522	$ 54,530	$ 407,481		
264				**100.000%**	**69.333%**	**24.029%**	**0.783%**	**5.854%**		
265		Distribution Maitenance Exp								
266	885	Supervision & Engineering								
267		Customer	OM73ACust	$ 71,259	$ 58,929	$ 11,169	$ 189	$ 972	O&M Accounts 887 - 893 Cust	Per MGE
268		Demand	OM73ADe	$ 94,899	$ 52,200	$ 18,934	$ 2,138	$ 21,628	O&M Accounts 887 - 893 De	Per MGE
269		Commodity	OM73AV	$ -	$ -	$ -	$ -	$ -	O&M Accounts 887 - 893 Vol	Per MGE
270		Total Supervision & Engineering		$ 166,158	$ 111,129	$ 30,102	$ 2,327	$ 22,600		
271										
272	886	Structures & Improvements	OM73C							
273		Customer	CUSA	$ 24,340	$ 21,188	$ 3,108	$ 21	$ 23	Customers Alloc Factor	Per MGE
274		Demand	DEMA	$ 32,414	$ 19,006	$ 6,894	$ 586	$ 5,928	Demand Factor	Per Staff
275		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
276		Total Structures & Improvements		$ 56,754	$ 40,194	$ 10,002	$ 607	$ 5,952		
277										
278	887	Mains	MAINC							
279		Customer	CUSA	$ 1,259,961	$ 1,096,814	$ 160,874	$ 1,069	$ 1,205	Customers Alloc Factor	Per MGE
280		Demand	DEMA	$ 2,369,476	$ 1,389,356	$ 503,935	$ 42,830	$ 433,355	Demand Factor	Per Staff
281		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
282		Total Mains		$ 3,629,437	$ 2,486,170	$ 664,809	$ 43,899	$ 434,559		
283										
284	889	Meas & Reg Stat. - Gen	VOLC							
285		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
286		Demand	DEMA	$ 130,508	$ 76,524	$ 27,756	$ 2,359	$ 23,869	Demand Factor	Per Staff
287		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
288		Total Meas & Reg Sta.-Gen.		$ 130,508	$ 76,524	$ 27,756	$ 2,359	$ 23,869		
289										
290	890	Meas & Reg Sta. - Ind.								
291		Customer	LUVACus	$ -	$ -	$ -	$ -	$ -	Large Users Customers	New
292		Demand	LUVADe	$ 51,250	$ -	$ -	$ 4,610	$ 46,640	Large Users Demands	New
293		Commodity	LUVAV	$ -	$ -	$ -	$ -	$ -	Large Users Annual Volume	New
294		Total Meas & Reg Sta.-Ind.		$ 51,250	$ -	$ -	$ 4,610	$ 46,640		
295										
296	891	Meas & Reg Sta.-City Gate								
297		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
298		Demand	DEMA	$ 1,359	$ 797	$ 289	$ 25	$ 249	Demand Factor	Per Staff
299		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
300		Total Meas & Reg Sta.-City Gate		$ 1,359	$ 797	$ 289	$ 25	$ 249		
301										
302	892	Services								
303		Customer	SWCUSA	$ 321,943	$ 275,066	$ 40,345	$ 1,185	$ 5,347	Services Wtd Alloc Factor	Per MGE
304		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
305		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
306		Total Services		$ 321,943	$ 275,066	$ 40,345	$ 1,185	$ 5,347		
307										
308	893	Meters & House Regs								
309		Customer	M&RWCUSC	$ 264,420	$ 182,729	$ 67,650	$ 1,829	$ 12,212	Meters and Reg Wtd Alloc Factor	Per MGE
310		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
311		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
312		Total Meters & House Regs		$ 264,420	$ 182,729	$ 67,650	$ 1,829	$ 12,212		

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Allocated Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Residential	Small General Service	Large General Service	Large Volume Service	Allocation Factor: Description	Allocation Factor: Alloc Factors Developed By
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
313		Allocation Factors Continued								
314	894	Other Equipment Maint.								
315		Customer	OM73ACust	$ 42,180	$ 34,881	$ 6,611	$ 112	$ 575	O&M Accounts 887 - 893 Cust	Per MGE
316		Demand	OM73ADe	$ 56,173	$ 30,899	$ 11,207	$ 1,265	$ 12,802	O&M Accounts 887 - 893 De	Per Staff
317		Commodity	OM73AV	$ -	$ -	$ -	$ -	$ -	O&M Accounts 887 - 893 Vol	Per Staff
318		Total Other Equipment Maint		$ 98,353	$ 65,780	$ 17,818	$ 1,377	$ 13,377		
319										
320		Total Distribution Maint.		$ 4,720,182	$ 3,238,389	$ 858,770	$ 58,218	$ 564,805		
321										
322		Total Distribution Payroll		$ 11,680,536	$ 8,064,210	$ 2,531,293	$ 112,748	$ 972,286		
323				100.000%	69.040%	21.671%	0.965%	8.324%		
324										
325		Customer Accounting Payroll	CUSC							
326		Meter Reading								
327		Customer	CUSA	$ 1,457,425	$ 1,268,709	$ 186,086	$ 1,236	$ 1,393	Customers Alloc Factor	Per MGE
328		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
329		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
330		Total Customer Accounting Payroll		$ 1,457,425	$ 1,268,709	$ 186,086	$ 1,236	$ 1,393		
331										
332		Billing	CUSC							
333		Customer	CUSA	$ 4,549,807	$ 3,960,672	$ 580,926	$ 3,860	$ 4,350	Customers Alloc Factor	Per MGE
334		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
335		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
336		Total Meter Reading Payroll		$ 4,549,807	$ 3,960,672	$ 580,926	$ 3,860	$ 4,350		
337										
338		Other Customer Accounting								
339		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
340		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
341		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
342		Total Billing Payroll		$ -	$ -	$ -	$ -	$ -		
343										
344		Total Customer Accounting								
345		Customer	CUSA	$ 6,007,232	$ 5,229,381	$ 767,012	$ 5,096	$ 5,743	Customers Alloc Factor	Per MGE
346		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
347		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
348		Total Customer Accting Payroll		$ 6,007,232	$ 5,229,381	$ 767,012	$ 5,096	$ 5,743		
349										
350		Customer Service Payroll								
351		Customer	CUSA	$ 323,133	$ 281,292	$ 41,258	$ 274	$ 309	Customers Alloc Factor	Per MGE
352		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
353		Commodity	VOLA	$ -	$ -	$ -	$ -	$ -	Total Annual Volumes	Per Staff
354		Total Customer Service Payroll		$ 323,133	$ 281,292	$ 41,258	$ 274	$ 309		
355										
356		Sales Promotion Payroll								
357		Customer	CUSA	$ -	$ -	$ -	$ -	$ -	Customers Alloc Factor	Per MGE
358		Demand	DEMA	$ -	$ -	$ -	$ -	$ -	Demand Factor	Per Staff
359		Commodity	VOLA	$ 662,754	$ 311,630	$ 120,545	$ 19,652	$ 210,927	Total Annual Volumes	Per Staff
360		Total Sales Payroll		$ 662,754	$ 311,630	$ 120,545	$ 19,652	$ 210,927		
361										
362		Total Payroll (Excl A&G)		$ 18,673,655	$ 13,886,513	$ 3,460,107	$ 137,770	$ 1,189,265		
363		Classified Payroll								
364	LaborC	Customer		$ 14,512,593	$ 11,559,715	$ 2,608,614	$ 50,465	$ 293,798		
365			PayrollACust	100.000%	79.653%	17.975%	0.348%	2.024%	Payroll Customer	
366	LaborD	Demand		$ 3,496,206	$ 2,014,180	$ 730,566	$ 67,590	$ 683,871		
367			PayrollADe	100.000%	57.610%	20.896%	1.933%	19.560%	Payroll Demand	
368	LaborV	Commodity		$ 664,856	$ 312,618	$ 120,927	$ 19,714	$ 211,596		
369			PayrollAV	100.000%	47.020%	18.188%	2.965%	31.826%	Payroll Volume	
370		Total Payroll (Excl A&G)		$ 18,673,657	$ 13,886,514	$ 3,460,108	$ 137,770	$ 1,189,265		
371		Total Payroll Alloc	PayrollC	100.000%	74.364%	18.529%	0.738%	6.369%	Total Payroll	

(1) From Schedule 3.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Customer	Demand	Commodity	Classification Factor Description	Classification Developed
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1		Intangible Plant							
2	301	Organization	DistPC	$ 15,600	$ 10,727	$ 4,873	$ -	Distribution Plant	Per MGE
3	302	Franchises	DistPC	$ 34,630	$ 23,812	$ 10,818	$ -	Distribution Plant	Per MGE
4	303	Miscellaneous Intangible	DistPC	$ 32,371,893	$ 22,258,932	$ 10,112,961	$ -	Distribution Plant	Per MGE
5		Total Intangible Plant		$ 32,422,123	$ 22,293,470	$ 10,128,653	$ -		
6									
7		Distribution Plant							
8	374	Land & Land Rights	PA65C	$ 1,615,048	$ 1,110,508	$ 504,540	$ -	Accounts 376-385	Per MGE
9	375	Structures & Improvements	PA65C	$ 6,065,473	$ 4,170,623	$ 1,894,850	$ -	Accounts 376-385	Per MGE
10	376	Mains	MAINC	$ 310,143,777	$ 107,666,559	$ 202,477,218	$ -	Mains Study Factor	Per MGE
11	378	Meas. & Reg. Sta. Equip.-General	DEMC	$ 11,162,207	$ -	$ 11,162,207	$ -	Demand Factor	Per MGE
12	379	Meas. & Reg. Sta. Equip.-City Gate	DEMC	$ 3,211,758	$ -	$ 3,211,758	$ -	Demand Factor	Per MGE
13	380	Services	CUSC	$ 270,090,903	$ 270,090,903	$ -	$ -	Customers	Per MGE
14	381	Meters	CUSC	$ 29,207,668	$ 29,207,668	$ -	$ -	Customers	Per MGE
15	382	Meter Installations	CUSC	$ 59,476,816	$ 59,476,816	$ -	$ -	Customers	Per MGE
16	383	House Regulators	CUSC	$ 10,508,164	$ 10,508,164	$ -	$ -	Customers	Per MGE
17	385	Electronic Gas Measurement	CUSC	$ 345,857	$ 345,857	$ -	$ -	Customers	Per MGE
18		Total Distribution Plant	DistPC	$ 701,827,671	$ 482,577,097	$ 219,250,574	$ -		
19									
20		General Plant							
21	389	Land & Land Rights	PayrollC	$ 468,315	$ 363,960	$ 87,681	$ 16,674	Total Payroll	New
22	390	Structures & Improvements	PayrollC	$ 2,100,290	$ 1,632,281	$ 393,230	$ 74,779	Total Payroll	New
23	391	Office Furniture & Equipment	PayrollC	$ 4,878,321	$ 3,791,282	$ 913,352	$ 173,688	Total Payroll	New
24	392	Transportation Equipment	PayrollC	$ 4,614,887	$ 3,586,549	$ 864,030	$ 164,308	Total Payroll	New
25	393	Stores Equipment	PayrollC	$ 541,448	$ 420,797	$ 101,374	$ 19,278	Total Payroll	New
26	394	Tools, Shop & Garage	PayrollC	$ 4,811,920	$ 3,739,677	$ 900,920	$ 171,323	Total Payroll	New
27	396	Power Operated Equipment	PayrollC	$ 330,903	$ 257,168	$ 61,954	$ 11,781	Total Payroll	New
28	397.1	Communication Equipment -AMR	CUSC	$ 34,695,010	$ 34,695,010	$ -	$ -	Customers	Per MGE
29	397	Communication Equipment	PayrollC	$ 2,851,520	$ 2,216,114	$ 533,881	$ 101,525	Total Payroll	New
30	398	Miscellaneous General Plant	PayrollC	$ 196,359	$ 152,604	$ 36,764	$ 6,991	Total Payroll	New
31	389-98	Total General Plant		$ 55,488,973	$ 50,855,441	$ 3,893,184	$ 740,347		
32		Total Plant in Service		$ 789,738,767	$ 555,726,008	$ 233,272,412	$ 740,347		
33									

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Customer	Demand	Commodity	Classification Factor: Description	Classification Factor: Classification Developed
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
34		Accumulated Depreciation							
35	303	Miscellaneous Intangible	DistPC	$ (16,602,477)	$ (11,415,872)	$ (5,186,605)	$ -	Distribution Plant	Per MGE
36	374	Land Rights	PA65C	$ (312,741)	$ (215,041)	$ (97,700)	$ -	Accounts 376-385	Per MGE
37	375	Structures	PA65C	$ (1,183,750)	$ (813,947)	$ (369,803)	$ -	Accounts 376-385	Per MGE
38	376	Mains	MAINC	$ (93,255,550)	$ (32,373,708)	$ (60,881,842)	$ -	Mains Study Factor	Per MGE
39	378	Meas. & Reg. Sta. Equip. - General	DEMC	$ (2,935,979)	$ -	$ (2,935,979)	$ -	Demand Factor	Per MGE
40	379	Meas. & Reg. Sta. Equip. - City Gate	DEMC	$ (660,610)	$ -	$ (660,610)	$ -	Demand Factor	Per MGE
41	380	Services	CUSC	$ (115,155,562)	$ (115,155,562)	$ -	$ -	Customers	Per MGE
42	381	Meters	CUSC	$ (2,552,457)	$ (2,552,457)	$ -	$ -	Customers	Per MGE
43	382	Meter Installations	CUSC	$ (10,462,129)	$ (10,462,129)	$ -	$ -	Customers	Per MGE
44	383	House Regulators	CUSC	$ (1,569,115)	$ (1,569,115)	$ -	$ -	Customers	Per MGE
45	385	Electronic Gas Measurement	CUSC	$ (76,994)	$ (76,994)	$ -	$ -	Customers	Per MGE
46	389-98	General Plant	PayrollC	$ (13,075,126)	$ (10,161,587)	$ (2,448,012)	$ (465,526)	Total Payroll	New
47		Total Accumulated Depreciation		$ (257,842,490)	$ (184,796,413)	$ (72,580,551)	$ (465,526)		
48									
49		Net Plant in Service		$ 531,896,277	$ 370,929,595	$ 160,691,861	$ 274,821		
50									
51		Rate Additions (Deductions)							
52		SLRP Deferrals & Deferred Taxes	M&SC	$ (5,641,541)	$ (3,672,883)	$ (1,968,658)	$ -	Mains and Services	Per MGE
53		Customer Deposits	CUSC	$ (3,619,432)	$ (3,619,432)	$ -	$ -	Customers	Per MGE
54		Customer Advances	M&SC	$ (10,575,798)	$ (6,885,294)	$ (3,690,504)	$ -	Mains and Services	Per MGE
55		Deferred Income Taxes	TPISC	$ (64,649,829)	$ (45,493,007)	$ (19,096,215)	$ (60,607)	Total Plant in Service	Per MGE
56		Materials and Supplies/Prepayments	TPISC	$ 2,858,399	$ 2,011,408	$ 844,312	$ 2,680	Total Plant in Service	Per MGE
57		Prepaid Pension	PayrollC	$ 9,275,181	$ 7,208,387	$ 1,736,561	$ 330,233	Total Payroll	New
58		Gas Inventory	DEMC	$ 48,101,139	$ -	$ 48,101,139	$ -	Demand Factor	Per MGE
59		Cash Working Capital							
60		Cash Vouchers	COSC	$ 651,630	$ 471,289	$ 173,118	$ 7,222	COS Before Rev Credits	Per Staff
61		Purchased Gas	VOLC	$ 2,094,730	$ -	$ -	$ 2,094,730	Total Annual Volumes	Per Staff
62		Payroll Related	PayrollC	$ 2,288,787	$ 1,778,775	$ 428,522	$ 81,490	Total Payroll	Per Staff
63		City Franchse and Sales Tax	COSC	$ (42,844)	$ (30,987)	$ (11,382)	$ (475)	COS Before Rev Credits	Per Staff
64		PSC Assessment and Legal	COSC	$ 320,864	$ 232,064	$ 85,244	$ 3,556	COS Before Rev Credits	Per Staff
65		Use Tax	COSC	$ (24,679)	$ (17,849)	$ (6,556)	$ (274)	COS Before Rev Credits	Per Staff
66		Revenue Related	COSC	$ (2,973,461)	$ (2,150,547)	$ (789,958)	$ (32,956)	COS Before Rev Credits	Per Staff
67		Property Related	TPISC	$ (3,060,851)	$ (2,153,870)	$ (904,112)	$ (2,869)	Total Plant in Service	Per Staff
68		Total Cash Working Ca;ital		$ (745,824)	$ (1,871,124)	$ (1,025,124)	$ 2,150,424		
69		Interest Exp/Inc Tax Offsets	NPISC	$ (2,539,941)	$ (1,771,284)	$ (767,345)	$ (1,312)	Net Plant In Service	Per Staff
70		Total Rate Base Additions (Deductions)		$ (27,537,646)	$ (54,093,230)	$ 24,134,166	$ 2,421,418		
71									
72		Total Rate Base		$ 504,358,631	$ 316,836,365	$ 184,826,027	$ 2,696,239		

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Customer	Demand	Commodity	Classification Factor Description	Classification Developed
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Operating Expenses								
1		Distribution Operations Expenses							
2	870	Operation Supervision & Engineering	OM19C	$ 514,543	$ 432,183	$ 81,661	$ 699	O&M Accounts 871 - 879	Per MGE
3	871	Load Dispatching	VOLC	$ 13,402	$ -	$ -	$ 13,402	Total Annual Volumes	Per MGE
4	874	Mains and Services Expenses	M&SC	$ 2,578,539	$ 1,678,739	$ 899,800	$ -	Mains and Services	Per MGE
5	875	Regulator Station Expenses	DEMC	$ 657,133	$ -	$ 657,133	$ -	Demand Factor	Per MGE
6	876	Measuring & Regulating Station Expenses-Ind.	DEMC	$ 4,718	$ -	$ 4,718	$ -	Demand Factor	Per MGE
7	877	Measuring & Regulating Station Expenses-City Gate	DEMC	$ 4,390	$ -	$ 4,390	$ -	Demand Factor	Per MGE
8	878	Meter and House Regulator Expenses	CUSC	$ 4,344,977	$ 4,344,977	$ -	$ -	Customers	Per MGE
9	879	Customer Installation Expenses	CUSC	$ 2,264,352	$ 2,264,352	$ -	$ -	Customers	Per MGE
10	880	Other Expenses	OM19C	$ 1,162,697	$ 976,590	$ 184,528	$ 1,579	O&M Accounts 871 - 879	Per MGE
11	881	Rents	OM19C	$ 368,936	$ 309,882	$ 58,553	$ 501	O&M Accounts 871 - 879	Per MGE
12		Total Distribution Operations Expenses		$ 11,913,687	$ 10,006,722	$ 1,890,784	$ 16,181		
13									
14		Distribution Maintenance Expenses							
15	885	Maintenance Supervision & Engineering	OM73C	$ 884,049	$ 379,133	$ 504,916	$ -	O&M Accounts 887 - 893	Per MGE
16	886	Maintenance of Structures & Improvements	OM73C	$ 142,345	$ 61,046	$ 81,299	$ -	O&M Accounts 887 - 893	Per MGE
17	887	Maintenance of Mains	MAINC	$ 6,844,149	$ 2,375,950	$ 4,468,199	$ -	Mains Study Factor	Per MGE
18	889	Maint. of Meas. & Reg. Sta. Equipment	DEMC	$ 214,533	$ -	$ 214,533	$ -	Demand Factor	Per MGE
19	890	Maint. of Meas. & Reg. Sta. Equip. - Ind.	DEMC	$ 314,332	$ -	$ 314,332	$ -	Demand Factor	Per MGE
20	891	Main. Of Meas. & Reg. Sta. Equip. - City Gate	DEMC	$ 81,085	$ -	$ 81,085	$ -	Demand Factor	Per MGE
21	892	Maintenance of Services	CUSC	$ 562,438	$ 562,438	$ -	$ -	Customers	Per MGE
22	893	Maintenance of Meters & House Regulators	CUSC	$ 874,718	$ 874,718	$ -	$ -	Customers	Per MGE
23	894	Maintenance of Other Equipment	OM73C	$ 228,685	$ 98,074	$ 130,611	$ -	O&M Accounts 887 - 893	Per MGE
24		Total Distribution Maintenance Expenses		$ 10,146,334	$ 4,351,359	$ 5,794,975	$ -		
25									
26		Total Dist Operations & Maintenance Expenses		$ 22,060,021	$ 14,358,081	$ 7,685,759	$ 16,181		

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Customer	Demand	Commodity	Classification Factor Description	Classification Developed
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
27		Customer Accounts Expenses							
28	901	Supervision	CUSC	$ 587,686	$ 587,686	$ -	$ -	Customers	Per MGE
29	902	Meter Reading Expenses	CUSC	$ 646,537	$ 646,537	$ -	$ -	Customers	Per MGE
30	903	Customer Records & Collection Expenses	CUSC	$ 10,312,224	$ 10,312,224	$ -	$ -	Customers	Per MGE
31	904	Uncollectible Accounts	CUSC	$ 6,135,571	$ 6,135,571	$ -	$ -	Customers	Per MGE
32	905	Miscellaneous Customer Accounts Expenses	CUSC	$ 84,246	$ 84,246	$ -	$ -	Customers	Per MGE
33		Total Customer Accounts Expenses		$ 17,766,264	$ 17,766,264	$ -	$ -		
34									
35		Customer Service Expenses							
36	908	Customer Assistance	CUSC	$ 422,549	$ 422,549	$ -	$ -	Customers	Per MGE
37	909	Informational & Instructional Advertising	CUSC	$ 43,018	$ 43,018	$ -	$ -	Customers	Per MGE
38	910	Miscellaneous Customer Accounts Expenses	CUSC	$ 11,492	$ 11,492	$ -	$ -	Customers	Per MGE
39		Total Customer Service Expenses		$ 477,059	$ 477,059	$ -	$ -		
40									
41		Sales and Advertising Expenses							
42	912	Demonstration and Selling Expense	VOLC	$ 242,188	$ -	$ -	$ 242,188	Total Annual Volumes	Per MGE
43	916	Miscellaneous Sales	VOLC	$ 1,676	$ -	$ -	$ 1,676	Total Annual Volumes	Per MGE
44		Total Sales and Advertising Expenses		$ 243,864	$ -	$ -	$ 243,864		
45									
46		Administrative & General Expenses							
47		Payroll Retated - 925, 926	PayrollC	$ 11,675,838	$ 9,074,104	$ 2,186,028	$ 415,706	Total Payroll	Per Staff
48		Property Related -924	TPISC	$ 164,136	$ 115,500	$ 48,482	$ 154	Total Plant in Service	Per Staff
49		All Other Items	PayrollC	$ 14,112,058	$ 10,967,459	$ 2,642,154	$ 502,445	Total Payroll	New
50		Interest on Customer Deposits	CUSC	$ 137,255	$ 137,255	$ -	$ -	Customers	New
51		Total Administrative & General Expenses		$ 26,089,287	$ 20,294,318	$ 4,876,664	$ 918,305		
52									
53		Total O&M Expenses		$ 66,636,495	$ 52,895,722	$ 12,562,423	$ 1,178,350		
54									

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Customer	Demand	Commodity	Classification Factor Description	Classification Developed
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
55		Depreciation Expense							
56	303	Miscellaneous Intangible	DistPC	$ -	$ -	$ -	$ -	Distribution Plant	Per MGE
57	374	Land Rights	PA65C	$ 28,729	$ 19,754	$ 8,975	$ -	Accounts 376-385	Per MGE
58	375	Structures	PA65C	$ 100,080	$ 68,815	$ 31,265	$ -	Accounts 376-385	Per MGE
59	376	Mains	MAINC	$ 7,040,264	$ 2,444,031	$ 4,596,233	$ -	Mains Study Factor	Per MGE
60	378	Meas. & Reg. Sta. Equip. - General	DEMC	$ 319,239	$ -	$ 319,239	$ -	Demand Factor	Per MGE
61	379	Meas. & Reg. Sta. Equip. - City Gate	DEMC	$ 68,410	$ -	$ 68,410	$ -	Demand Factor	Per MGE
62	380	Services	CUSC	$ 6,131,063	$ 6,131,063	$ -	$ -	Customers	Per MGE
63	381	Meters	CUSC	$ 835,339	$ 835,339	$ -	$ -	Customers	Per MGE
64	382	Meter Installations	CUSC	$ 1,701,037	$ 1,701,037	$ -	$ -	Customers	Per MGE
65	383	House Regulators	CUSC	$ 256,399	$ 256,399	$ -	$ -	Customers	Per MGE
66	385	Electronic Gas Measurement	CUSC	$ 11,517	$ 11,517	$ -	$ -	Customers	Per MGE
67	389-398	General Plant	PayrollC	$ 2,882,798	$ 2,240,422	$ 539,737	$ 102,639	Total Payroll	New
68		Total Depreciation Expense		$ 19,374,875	$ 13,708,377	$ 5,563,859	$ 102,639		
69									
70	404-405	Amortization Expense -SLRP	M&SC	$ 3,101,982	$ 2,019,522	$ 1,082,460	$ -	Mains and Services	Per MGE
71	404-405	Amortization Expense - Other	DistPC	$ 246,452	$ 169,461	$ 76,991	$ -	Distribution Plant	Per MGE
72		Taxes Other Than Income Taxes							
73	408	Taxes Other Than Income Taxes - Payroll	PayrollC	$ 1,837,287	$ 1,427,883	$ 343,989	$ 65,415	Total Payroll	Per Staff
74	408	Taxes Other Than Income Taxes - Plant	TPISC	$ 8,733,089	$ 6,145,329	$ 2,579,573	$ 8,187	Total Plant in Service	Per Staff
75		Total Taxes Other Than Income Taxes		$ 10,570,376	$ 7,573,212	$ 2,923,562	$ 73,602		
76	431	Interest on Customer Deposits	CUSC	$ -	$ -	$ -	$ -	Customers	
77		Return	RBC	$ 34,346,823	$ 21,576,556	$ 12,586,652	$ 183,614	Total Rate Base	Per MGE
78		Income Taxes	RBC	$ 8,704,842	$ 5,468,352	$ 3,189,955	$ 46,535	Total Rate Base	Per MGE
79									
80		Total Cost of Service Before Revenue Credits		$ 142,981,845	$ 103,411,203	$ 37,985,902	$ 1,584,740		
81									
82		Revenue Credits							
83		Late Payment Charges	COSC	$ 1,148,304	$ 830,508	$ 305,069	$ 12,727	COS Before Rev Credits	
84		Other Revenue	COSC	$ 3,516,962	$ 2,543,633	$ 934,349	$ 38,980	COS Before Rev Credits	
85		Total Revenue Credits		$ 4,665,266	$ 3,374,140	$ 1,239,418	$ 51,707		
86									
87		Total Net Cost of Service		$ 138,316,579	$ 100,037,063	$ 36,746,484	$ 1,533,032		

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30, 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct (a)	Description (b)	Alloc (c)	Total (1) (d)	Customer (e)	Demand (f)	Commodity (g)	Classification Factor Description (h)	Classification Factor Classification Developed (i)
1		Allocation Factors							
2		**Customers**		501,005	501,005	-	-		
3		**Customer Factor**	CUSC	**100.000%**	**100.000%**	**0.000%**	**0.000%**	Customers	Per MGE
4									
5		Weighting							
6		Weighted Non-Residential Customers		75,072	75,072	-	-		
7		**Non-Residential Customer Factor**	WNRCUSC	**100.000%**	**100.000%**	**0.000%**	**0.000%**	Wtd Non-Res Customers	Per MGE
8									
9		Mains Weighting Customer							
10		Weighted Non-Residential Customers		501,005	501,005	-	-		
11		**Weighted Mains Customer Factor**	MWCUSC	**100.000%**	**100.000%**	**0.000%**	**0.000%**	Mains Weighting Customer	Per MGE
12									
13		Services Weighting							
14		Weighted Customers		510,458	510,458	-	-		
15		**Weighted Services Factor**	SWCUSC	**100.000%**	**100.000%**	**0.000%**	**0.000%**	Services Weighting	Per MGE
16									
17		Meters Weighting							
18		Weighted Customers		1,327,806	1,327,806	-	-		
19		**Weighted Meters Factor**	MTRWCUSC	**100.000%**	**100.000%**	**0.000%**	**0.000%**	Meters Weighting	Per MGE
20									
21		Meter Installation Weighting	MTRINCUSC						
22		Weighted Customers		508,818	508,818	-	-		
23		**Weighted Meter Installation**		**100.000%**	**100.000%**	**0.000%**	**0.000%**	Meter Install Weighting	Per MGE
24									
25		Regulators Weighting	RWCUSC						
26		Weighted Customers		574,763	574,763	-	-		
27		**Weighted Regulators Factor**		**100.000%**	**100.000%**	**0.000%**	**0.000%**	Regulators Weighting	Per MGE
28									
29		Meters and Regulators Weighting	M&RWCUSC						
30		Weighted Customers		99,192,648	99,192,648	-	-		
31		**Weighted Meters and Regulators Factor**		**100.000%**	**100.000%**	**0.000%**	**0.000%**	Meters and Regulators Wtd	Per MGE
32									
33		Mains & Services - Customer	M&SCUSC	377,757,462	377,757,462	-	-		
34		**Weighted Mains and Services Factor**		**100.000%**	**100.000%**	**0.000%**	**0.000%**	Mains & Services - Customer	Per MGE
35									
36		**Demands**		7,382,524	-	7,382,524	-		
37		**Demand Factor**	DEMC	**100.000%**	**0.000%**	**100.000%**	**0.000%**	Demand Factor	Per Staff
38									
39		**Total Annual Volumes**		846,382,868	-	-	846,382,868		
40		**Total Volume Factor**	VOLC	**100.000%**	**0.000%**	**0.000%**	**100.000%**	Total Annual Volumes	Per Staff

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct (a)	Description (b)	Alloc (c)	Total (1) (d)	Customer (e)	Demand (f)	Commodity (g)	Classification Factor Description (h)	Classification Developed (i)
41		Allocation Factors - Continued							
42	**Large Users Annual Volume (Ccf)**			294,465,571	-	-	294,465,571		
43	**Large User Volume Factor)**			**100.000%**	**0.000%**	**0.000%**	**100.000%**	Large Users Annual Volume	Per Staff
44									
45	**Mains Study Factor**		MAINC	**100.000%**	**34.715%**	**65.285%**	**0.000%**	Mains Study Factor	Per MGE
46									
47	**Rate of Return**			6.81%	**6.81%**	**6.81%**	**6.81%**		Per Staff
48									
49	**Internal Allocators**								
50									
51		Plant Accounts 376 - 385		$ 694,147,150	$ 477,295,967	$ 216,851,183	$ -		
52			PA65C	**100.000%**	**68.760%**	**31.240%**	**0.000%**	Accounts 376-385	Per MGE
53									
54		Mains and Services		$ 580,234,680	$ 377,757,462	$ 202,477,218	$ -		
55			M&SC	**100.000%**	**65.104%**	**34.896%**	**0.000%**	Mains and Services	Per MGE
56									
57		Distribution Plant		$ 701,827,671	$ 482,577,097	$ 219,250,574	$ -		
58			DistPC	**100.000%**	**68.760%**	**31.240%**	**0.000%**	Distribution Plant	Per MGE
59									
60		General Plant		$ 55,488,973	$ 50,855,441	$ 3,893,184	$ 740,347		
61			GenPC	**100.000%**	**91.650%**	**7.016%**	**1.334%**	General Plant	
62									
63		Distribution and General Plant		$ 757,316,644	$ 533,432,538	$ 223,143,758	$ 740,347		
64			Dist&GenC	**100.000%**	**70.437%**	**29.465%**	**0.098%**	Distribution and General Plant	
65									
66		Total Plant in Service		$ 789,738,767	$ 555,726,008	$ 233,272,412	$ 740,347		
67			TPISC	**100.000%**	**70.368%**	**29.538%**	**0.094%**	Total Plant in Service	
68									
69		Net Plant In Service		$ 531,896,277	$ 370,929,595	$ 160,691,861	$ 274,821		
70			NPISC	**100.000%**	**69.737%**	**30.211%**	**0.052%**	Net Plant In Service	
71									
72		Total Rate Base		$ 504,358,631	$ 316,836,365	$ 184,826,027	$ 2,696,239		
73			RBC	**100.000%**	**62.820%**	**36.646%**	**0.535%**	Total Rate Base	
74									
75		O&M Accounts 871 - 879		$ 9,867,511	$ 8,288,068	$ 1,566,041	$ 13,402		
76			OM19C	**100.000%**	**83.993%**	**15.871%**	**0.136%**	O&M Accounts 871 - 879	
77									
78		O&M Accounts 887 - 893		$ 8,891,255	$ 3,813,106	$ 5,078,149	$ -		
79			OM73C	**100.000%**	**42.886%**	**57.114%**	**0.000%**	O&M Accounts 887 - 893	
80									
81		Total COS Before Revenue Credits		$ 142,981,845	$ 103,411,203	$ 37,985,902	$ 1,584,740		
82			COSC	**100.000%**	**72.325%**	**26.567%**	**1.108%**	COS Before Rev Credits	

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct (a)	Description (b)	Alloc (c)	Total (1) (d)	Customer (e)	Demand (f)	Commodity (g)	Classification Factor Description (h)	Classification Developed (i)
83		Allocation Factors - Continued							
84									
85		**Labor Allocation Factors**							
86		Distribution Operation Exp							
87	870	Supervision & Engineering	OM19C	$ 405,419	$ 340,526	$ 64,343	$ 551	O&M Accounts 871 - 879	Per MGE
88	871	Load Dispatch	VOLC	$ 616	$ -	$ -	$ 616	Total Annual Volumes	Per MGE
89	874	Main & Services	M&SC	$ 319,527	$ 208,026	$ 111,501	$ -	Mains and Services	Per MGE
90	875	Meas & Reg Sta. - General	DEMC	$ 456,459	$ -	$ 456,459	$ -	Demand Factor	Per MGE
91	876	Meas & Reg Sta. - Ind.	DEMC	$ 16,336	$ -	$ 16,336	$ -	Demand Factor	Per MGE
92	877	Meas & Reg Sta.-City Gate	DEMC	$ 2,179	$ -	$ 2,179	$ -	Demand Factor	Per MGE
93	878	Meter & House Reg	CUSC	$ 3,043,982	$ 3,043,982	$ -	$ -	Customers	Per MGE
94	879	Customer Install. - Other	CUSC	$ 2,027,096	$ 2,027,096	$ -	$ -	Customers	Per MGE
95	880	Other Operation Expenses	OM19C	$ 688,740	$ 578,497	$ 109,308	$ 935	O&M Accounts 871 - 879	Per MGE
96	881	Rents	OM19C	$ -	$ -	$ -	$ -	O&M Accounts 871 - 879	Per MGE
97		Total Distribution Oper.		$ 6,960,354	$ 6,198,126	$ 760,126	$ 2,102		
98				**100.000%**	**89.049%**	**10.921%**	**0.030%**		
99		Distribution Maintenance Exp							
100	885	Supervision & Engineering	OM73C	$ 166,158	$ 71,259	$ 94,899	$ -	O&M Accounts 887 - 893	Per MGE
101	886	Structures & Improvements	OM73C	$ 56,754	$ 24,340	$ 32,414	$ -	O&M Accounts 887 - 893	Per MGE
102	887	Mains	MAINC	$ 3,629,437	$ 1,259,961	$ 2,369,476	$ -	Mains Study Factor	Per MGE
103	889	Meas & Reg Stat. - Gen	DEMC	$ 130,508	$ -	$ 130,508	$ -	Demand Factor	Per MGE
104	890	Meas & Reg Sta. - Ind.	DEMC	$ 51,250	$ -	$ 51,250	$ -	Demand Factor	Per MGE
105	891	Meas & Reg Sta.-City Gate	DEMC	$ 1,359	$ -	$ 1,359	$ -	Demand Factor	Per MGE
106	892	Services	CUSC	$ 321,943	$ 321,943	$ -	$ -	Customers	Per MGE
107	893	Meters & House Regs	CUSC	$ 264,420	$ 264,420	$ -	$ -	Customers	Per MGE
108	894	Other Equipment Maint.	OM73C	$ 98,353	$ 42,180	$ 56,173	$ -	O&M Accounts 887 - 893	Per MGE
109		Total Distribution Maint.		$ 4,720,182	$ 1,984,102	$ 2,736,080	$ -		
110									
111		Total Distribution Payroll		$ 11,680,536	$ 8,182,228	$ 3,496,206	$ 2,102		
112				**100.000%**	**70.050%**	**29.932%**	**0.018%**		

(1) Per Staff.

MISSOURI GAS ENERGY
CASE NO. GR-2004-0209
TEST YEAR ENDED JUNE 30. 2003
Classified Cost of Service Per Federal Executive Agencies

Line No.	Acct	Description	Alloc	Total (1)	Customer	Demand	Commodity	Classification Factor Description	Classification Developed
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
113		Allocation Factors - Continued							
114		Customer Accounting Payroll	CUSC	$ -	$ -	$ -	$ -	Customers	Per MGE
115		Meter Reading	CUSC	$ 1,457,425	$ 1,457,425	$ -	$ -	Customers	Per MGE
116		Billing	CUSC	$ 4,549,807	$ 4,549,807	$ -	$ -	Customers	Per MGE
117		Other Customer Accounting	CUSC	$ -	$ -	$ -	$ -	Customers	Per MGE
118									
119		Total Customer Accting Payroll		$ 6,007,232	$ 6,007,232	$ -	$ -		
120									
121		Customer Service Payroll	CUSC	$ 323,133	$ 323,133	$ -	$ -	Customers	Per MGE
122									
123		Total Customer Service Payroll		$ 323,133	$ 323,133	$ -	$ -		
124									
125		Sales Promotion Payroll	VOLC	$ 662,754	$ -	$ -	$ 662,754	Total Annual Volumes	Per MGE
126									
127		Total Sales Payroll		$ 662,754	$ -	$ -	$ 662,754		
128									
129		Total Payroll (Exc A&G)		$ 18,673,655	$ 14,512,593	$ 3,496,206	$ 664,856		
130	**Payroll Factor**		PayrollC	**100.000%**	**77.717%**	**18.723%**	**3.560%**	Total Payroll	

(1) Per Staff.