

MISSOURI AMERICAN WATER COMPANY
CASE NO. WR-2007-0216
RECONCILIATION

	<u>Revenue Requirement</u>
Company's Revenue Requirement Above Current Rates	\$ 41,461,619
<u>Additional Revenue Requirement Above Base Rates (ISRS & PTS)</u>	<u>7,092,945</u>
<u>Company Changes & Corrections</u>	<u>(399,739)</u>
<u>Uncollectible - Rate Increase</u>	<u>(452,408)</u>
<u>MIEC 9.70 % ROE</u>	<u>(7,647,609)</u>
<u>Staff 9.10% ROE</u>	<u>(3,108,784)</u>
<u>Staff Revised Capital Structure</u>	<u>(1,367,865)</u>
<u>Rate Base:</u>	
Warren County Sewer Future Plant	(161,756)
Cedar Hill Future Plant	(217,289)
Shared Services and Call Center Transition Net Plant	(822,859)
Cash Working Capital	(190,877)
Regulatory Deferrals	(273,683)
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Total Rate Base Differences	(1,666,464)
<u>Revenues:</u>	
Revenue Annualization and Normalization (Weather)	(7,806,315)
AWR Compensation to MAWC	(137,449)
MSD Billing Data Revenues	-
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Total Revenues	(7,943,764)
<u>Expenses:</u>	
Overtime Hours	(519,004)
External Affairs/Lobbying	(115,218)
Incentive Compensation	(558,690)
Fuel & Power/Chemicals Due to Unaccounted for Water	(546,749)
Waste Disposal	(79,684)
Mainbreak Expense	(198,320)
Tank Painting Expense	(1,525,837)
Vehicle Leases	(331,783)
Uncollectibles (Bad Debt) Expense	(149,094)
Amortizations of Pension & OPEB Assets	(113,477)
Pension & OPEB Methodology	554,133
Rate Case Expense	(120,491)
Capitalized Software	(179,695)
Insurance Other Than Group	(716,716)
Postage	(6,020)
Miscellaneous Expenses (Dues, Donations, etc.)	(523,332)
Increased Audit Fees	(155,419)
Belleville Lab	(336,129)
Management Fees Capitalized	(168,390)
Depreciation	(559,593)
Property Tax Expense	(125,053)
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Total Expenses excluding income tax	(6,474,561)
Staff Trued-up & Corrected Revenue Requirement @ 9.10% ROE	<u>\$ 19,493,370</u>
OPC Additional Uncollectible Reduction	\$ (137,919)
MIEC Additional Depreciation Reduction	\$ (670,422)