

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Small Company Rate)	
Increase Request of Hickory Hills Water &)	<u>Case No. SR-2006-0249</u>
Sewer Company, Inc.)	

**PRE-LOCAL PUBLIC HEARING INFORMATIONAL FILING
REGARDING SMALL COMPANY RATE INCREASE REQUEST**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through Counsel, and for its Pre-Local Public Hearing Informational Filing Regarding Small Company Rate Increase Request ("Informational Filing") states the following to the Missouri Public Service Commission ("Commission").

1. On December 12, 2005, in accordance with Commission Rule 4 CSR 240-3.330, Hickory Hills Water & Sewer Company, Inc. ("Company") filed a revised tariff sheet to implement the provisions of a *Company/Staff Agreement Regarding Disposition of Small Sewer Company Rate Increase Request* ("Company/Staff Agreement") between the Company and the Staff, and the instant case was established.

2. On December 15, 2005, the Staff filed the above-referenced Company/Staff Agreement in this case. (Additional documents regarding the Company's rate increase request, including the Company's initial customer notice, have also been filed in the case papers, or were previously submitted to the EFIS tracking file for the request [QS-2006-0001]).

3. On December 23, 2005, the Commission issued its **Order Scheduling Local Public Hearing and Directing the Applicant to Send Notice** in this case, pursuant to a request filed by the Office of the Public Counsel. In that order, the Commission established January 19, 2006, as the date for a local public hearing in this case, and directed the Company to send notice of the proposed rates resulting from the Company/Staff Agreement, and the local public hearing, to its customers.

4. Consistent with established internal operating procedures that apply to small company rate cases in which the Commission has scheduled a local public hearing, the Staff documents listed below are included in the document that is attached hereto and identified as Appendix A:

Summary of Company's Annual
Operating Revenues at Current Rates

Ratemaking Income Statement

Rate Design Worksheet

Summary of Company's Annual
Operating Revenues at Proposed Rates

Residential Customer Billing Comparison

Revenue Requirement Audit Workpapers

5. The Staff notes that the customer response summary and copies of customer's correspondence that are normally provided with this type of filing are not being provided since the comment period for the combined Second Customer Notice/Local Public Hearing Notice has not yet ended, and that this information will be included in the Staff's recommendation filing packet.

6. Lastly, the Staff states that the Commission does not need to act on the Company's pending revised tariff sheet until after the Staff files its formal recommendation regarding the Commission's approval of that sheet. The Staff will file that recommendation after the completion of any Commission ordered activities (such as the recently scheduled local public hearing) and/or any additional Staff initiated activities (such as investigations of service-related customer complaints noted at the local public hearing). However, consistent with the established internal operating procedures that apply to small company rate increase cases, the Staff will file its formal recommendation at least seven (7) working days prior to the current proposed effective date for the pending revised tariff sheet, unless some action is taken to suspend/extend that date.

WHEREFORE, the Staff respectfully submits this Informational Filing for the Commission's information in this case.

Respectfully Submitted,

/s/ Keith R. Krueger

Keith R. Krueger
Deputy General Counsel
Missouri Bar No. 23857

Attorney for the Staff of the
Missouri Public Service Commission

P.O. Box 360
Jefferson City, MO 65102
573-751-4140 (telephone)
573-751-9285 (facsimile)
keith.krueger@psc.mo.gov (e-mail)

CERTIFICATE OF SERVICE

I hereby certify that copies of this Informational Filing have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 10th day of January 2006.

/s/ Keith R. Krueger

AFFIDAVIT OF DALE W. JOHANSEN


STATE OF MISSOURI)

) ss

Case No. SR-2006-0249

COUNTY OF COLE)

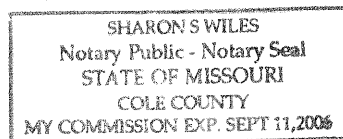
Dale W. Johansen, of lawful age, on his oath states: (1) that he is a member of the Staff of the Missouri Public Service Commission; (2) that he participated in the preparation of this Pre-Local Public Hearing Informational Filing Regarding Small Company Rate Increase Request (Informational Filing) and the attached appendix; (3) that he has knowledge of the matters set forth in this Informational Filing and the attached appendix; and (4) that the matters set forth in this Informational Filing and the attached appendix are true and correct to the best of his knowledge and belief.


Dale W. Johansen – Manager
Water & Sewer Department
Utility Operations Division

Subscribed and sworn to before me this 10th day of January 2006.


Notary Public

My Commission Expires: _____



APPENDIX A

PRE-LOCAL PUBLIC HEARING INFORMATIONAL FILING

CASE NO. SR-2006-0249

Note: To browse through this document by item, click on the "Bookmark" tab at the top of the menu bar to the left of the screen and then click on the item that you want to see.

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- 2) Ratemaking Income Statement
- 3) Rate Design Worksheet
- 4) Summary of Company's Annual Operating Revenues at Proposed Rates
- 5) Residential Customer Billing Comparison
- 6) Revenue Requirement Audit Workpapers

Summary of Company's Annual Operating Revenues at Current Rates

HICKORY HILLS WATER & SEWER COMPANY

Revenue Annualizations at Current Rates-Sewer

Annualized Customer Counts and Service Charge Revenues

Retail Metered Customers

Meter Size	Residential	Business	Total Meters	Rate *	Annual Revenue
3/4"	47	0	47	\$ 12.35	\$ 6,965
1"	0	0	0	\$ 12.35	\$ -
2"	0	0	0	\$ 12.35	\$ -
3"	0	0	0	\$ 12.35	\$ -
4"	0	0	0	\$ 12.35	\$ -
6"+	0	0	0	\$ 12.35	\$ -
Total	47	0	47		\$ 6,965

*monthly service charge

Annualized Commodity Sales - Volumes and Revenues

sales shown in Mgal/ons

Meter Size	Residential	Business	Total Sales	Rate	Annual Revenue
3/4"	-	-	-	\$ -	\$ -
1"	-	-	-	\$ -	\$ -
2"	-	-	-	\$ -	\$ -
3"	-	-	-	\$ -	\$ -
4"	-	-	-	\$ -	\$ -
6"+	-	-	-	\$ -	\$ -
Total	-	-	-		\$ -

Annualized Adjustment for Billing Adjustments for Over-Reads & Leaks	\$	-
Net Annualized Commodity Revenues	\$	-
Calculated Annualized Commodity Sales		0.0

Other Operating Revenues

Bulk Water Sales	\$	-
Sales to Other Public Authorities	\$	-
Late Charge Fees	\$	-
Turn-Off/Turn-On/Penalty Charges	\$	-
Miscellaneous Revenues - Service Lines	\$	-
Rents from Water Property - Tower Rental	\$	-
Discounts Earned	\$	-
Total Other Revenues	\$	-

Total Operating Revenues

Service Charges - Retail Customers	\$	6,965
Commodity Revenues - Retail Customers	\$	-
Sub-Total Tariffed Rate Revenues	\$	6,965
Other Operating Revenues	\$	-
Total Operating Revenues	\$	6,965

Ratemaking Income Statement

HICKORY HILLS WATER & SEWER COMPANY

Rate Making Income Statement-Sewer

Operating Revenues at Current Rates

1	Tariffed Rate Revenues *	\$ 6,965
2	Other Operating Revenues *	\$ -
3	Total Operating Revenues	\$ 6,965
4	* See "Revenues - Current Rates" for Details	

Cost of Service

Item	Amount
1 Sewer Treatment Expense-Chemicals	
2 Sewer Treatment -Testing/Laboratory Fees	\$ 1,296
3 Maintenance Expense-Parts/Equipment	\$ 1,146
4 Maintenance Expense-Outside Labor	
5 Permit Fees	\$ 650
6 Administration & General - Salaries	\$ 7,955
7 Office Supplies	\$ 299
8 Automobile Expense	\$ 1,932
9 Postage Expense	\$ 247
10 Telephone Expense	\$ 301
11 Insurance Expense	\$ 1,659
12 Bookkeeping	\$ 323
13 Employee Pensions & Benefits	\$ 702
14 Regulatory Commission Expense	\$ 249
15 Miscellaneous General Expenses	\$ 23
16 Sub-Total Operating Expenses	\$ 16,782
17 Property Taxes	\$ -
18 MO Franchise Taxes	\$ -
19 Employer FICA Taxes	\$ 609
20 Federal Unemployment Taxes	\$ -
21 State Unemployment Taxes	\$ -
22 State & Federal Income Taxes	\$ 3
23 Sub-Total Taxes	\$ 612
24 Depreciation Expense	\$ 444
25 CIAC	\$ (434)
26 Amortization of Engineering Expense	\$ 295
27 Sub-Total Depreciation/Amortization	\$ 305
28 Return on Rate Base	\$ 38
29 Total Cost of Service	\$ 17,737
30 Less Amount over Company's Request	\$ (8,272)
31 Overall Revenue Increase Needed	\$ 2,500

Rate Design Worksheet

HICKORY HILLS WATER & SEWER COMPANY

Development of Tariffed Rates-Sewer

Agreement is to increase currently tariffed rates by a percentage equal to the agreed-upon overall revenue increase divided by the revenues generated by the currently tariffed rates.

Revenues Generated by Current Tariffed Rates	\$ 6,965
Agreed-Upon Overall Revenue Increase	\$ 2,500
Percentage Increase Needed	35.886%

Metered Customer Rates

Meter Size	Current Service Charge	Proposed Service Charge	Current Usage Rate	Proposed Usage Rate
3/4"	\$ 12.35	\$ 16.78	\$ -	\$ -
1"	\$ 12.35	\$ 16.78	\$ -	\$ -

Summary of Company's Annual Operating Revenues at Proposed Rates

HICKORY HILLS WATER & SEWER COMPANY

Revenue Annualizations at Proposed Rates-Sewer

Annualized Customer Counts and Service Charge Revenues

Retail Metered Customers

Meter Size	Residential	Business	Total Meters	Rate *	Annual Revenue
5/8"	47	0	47	\$ 16.78	\$ 9,465
1"	0	0	0	\$ 16.78	\$ -
1.5"	0	0	0	\$ -	\$ -
2"	0	0	0	\$ -	\$ -
3"	0	0	0	\$ -	\$ -
4"	0	0	0	\$ -	\$ -
Total	47	0	47		\$ 9,465

monthly service charge

Annualized Commodity Sales - Volumes and Revenues

sales shown in Mgalions

Meter Size	Residential	Business	Total Sales	Rate	Annual Revenue
5/8"	-	-	-	\$ -	\$ -
1"	-	-	-	\$ -	\$ -
1.5"	-	-	-	\$ -	\$ -
2"	-	-	-	\$ -	\$ -
3"	-	-	-	\$ -	\$ -
4"	-	-	-	\$ -	\$ -
Total	-	-	-		\$ -

volumes adjusted as needed per net revenue annualization at current rates

Other Operating Revenues

Bulk Water Sales
 Sales to Other Public Authorities
 Late Charge Fees
 Turn-Off/Turn-On/Penalty Charges
 Miscellaneous Revenues - Service Lines
 Rents from Water Property - Tower Rental
 Discounts Earned

Total Other Revenues \$ -

Total Operating Revenues

Service Charges - Retail Customers	\$ 9,465
Commodity Revenues - Retail Customers	\$ -
Sub-Total Tariffed Rate Revenues	\$ 9,465
Other Operating Revenues	\$ -
Total Revenues at Proposed Rates	\$ 9,465

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 9,465
Total Revenues at Current Rates	\$ 6,965
Increase In Revenues at Proposed Rates	\$ 2,500
Agreed-Upon Increase in Operating Revenues	\$ 2,500

Residential Customer Billing Comparison

HICKORY HILLS WATER & SEWER COMPANY

Residential Customer Bill Comparison-Sewer

Rates for 5/8" Meter

<u>Current Base Service Charge</u>	<u>Proposed Base Service Charge</u>	<u>Current Usage Rate</u>	<u>Proposed Usage Rate</u>
\$12.35	\$16.78	\$0.000	\$0.000

current service charge is monthly charge

MONTHLY BILL COMPARISON

Current Rates

Service Charge	\$ 12.35
Usage Charge	\$ -
Total Bill	\$ 12.35

Proposed Rates

Service Charge	\$ 16.78
Usage Charge	\$ -
Total Bill	\$ 16.78

INCREASES

Service Charge

\$ Increase	\$4.43
% Increase	35.89%

Usage Charge

\$ Increase	\$0.00
% Increase	N/A

Total Bill

\$ Increase	\$4.43
% Increase	35.89%

Revenue Requirement Audit Workpapers

Hickory Hills Water & Sewer Company, Inc

Case: Q8-07-002

Twelve Months Ended December 31, 2004

Revenue Requirement

Line		B.31%
		Return
(A)		(B)
1	Net Orig Cost Rate Base (Sch 2)	\$ 450
2	Rate of Return	0.31%
3	Net Operating Income Requirement	\$ 38
4	Net Income Available (Sch 8)	\$ (10,731)
5	Additional NOI&T Needed	\$ 10,769
6	Income Tax Requirement (Sch 10)	
7	Required Current Income Tax	\$ 3
8	Test Year Current Income Tax	\$ 0
9	Additional Current Tax Required	\$ 3
10	Required Deferred ITC	\$ 0
11	Test Year Deferred ITC	\$ 0
12	Additional Deferred ITC Required	\$ 0
13	Total Additional Tax Required	\$ 3
14	Gross Revenue Requirement	\$ 10,772

Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Rate Base

Line Description	Amount
(A)	(B)
1 Total Plant in Service (Sch 3)	\$ 22,800
Subtract from Total Plant	
2 Depreciation Reserve (Sch 6)	\$ 342

3 Net Plant in Service	\$ 22,458
Add to Net Plant in Service	
4 Cash Working Capital (Sch)	\$ 0
Subtract from Net Plant	
5 Federal Tax Offset 0.0000 %	\$ 0
6 State Tax Offset 0.0000 %	0
7 City Tax Offset 0.0000 %	0
8 Interest Expense Offset 0.0000 %	0
9 Contribution in aid of Construction	22,000

10 Total Rate Base	\$ 458

Accounting Schedule: 3

Clark

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Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Collection Plant							
1	352.000	Gravity Collection Sewer	\$ 19,000	\$ 0	100.0000	\$ 0 P-1	\$ 19,000
2		Total	\$ 19,000	\$ 0		\$ 0	\$ 19,000
Treatment & Disposal Plant							
3	372.000	Oxidation Lagoon	\$ 2,200	\$ 0	100.0000	\$ 0 P-2	\$ 2,200
4		Total	\$ 2,200	\$ 0		\$ 0	\$ 2,200
General Plant							
5	393.000	Other General Equipment	\$ 1,600	\$ 0	100.0000	\$ 0 P-3	\$ 1,600
6		Total	\$ 1,600	\$ 0		\$ 0	\$ 1,600
7		Total Plant in Service	\$ 22,800	\$ 0		\$ 0	\$ 22,800

Accounting Schedule: 3-1

Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Collection Plant					
1	352.000	Gravity Collection Sewer	\$ 19,000	2.0000	\$ 380
2		Total	\$ 19,000		\$ 380
Treatment & Disposal Plant					
3	372.000	Oxidation Lagoon	\$ 2,200	0.0000	\$ 0
4		Total	\$ 2,200		\$ 0
General Plant					
5	393.000	Other General Equipment	\$ 1,600	4.0000	\$ 64
6		Total	\$ 1,600		\$ 64
7		Total Depreciation Expense	\$ 22,800		\$ 444

Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Collection Plant							
1	352.200	Gravity Collection Sewer	\$ 7,333	\$ 0	100.0000	\$ (7,333) R-1	\$ 0
2		Total	\$ 7,333	\$ 0		\$ (7,333)	\$ 0
Treatment & Disposal Plant							
3	372.000	Oxidation Lagoon	\$ 2,200	\$ 0	100.0000	\$ (2,200) R-2	\$ 0
4		Total	\$ 2,200	\$ 0		\$ (2,200)	\$ 0
General Plant							
5	393.000	Other General Equipment	\$ 1,142	\$ (800)	100.0000	\$ 0 R-3	\$ 342
6		Total	\$ 1,142	\$ (800)		\$ 0	\$ 342
7		Total Depreciation Reserve	\$ 10,675	\$ (800)		\$ (9,533)	\$ 342

Clark

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Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	No Juris Adjustment

Gravity Collection Sewer R-1		\$ (7,333)

1. To remove reserve associated with contributed plant. (Clark)		\$ (7,333)

Oxidation Lagoon R-2		\$ (2,200)

1. To remove reserve associated with contributed plant. (Clark)		\$ (2,200)

Other General Equipment R-3	\$	(800)

1. To remove reserve associated with contributed plant. (Clark)	\$	(800)

Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Operating Revenues							
1		Sewer Revenues	\$ 2,862	\$ 0	100.0000	\$ 4,103 S-1	\$ 6,965
2		Total	\$ 2,862	\$ 0		\$ 4,103	\$ 6,965
Operation & Maintenance Expense							
3		Salaries & Wages	\$ 2,537	\$ 0	100.0000	\$ 5,418 S-2	\$ 7,955
4		Automobile Expense	0	0	100.0000	1,932 S-3	1,932
5		Retirement Benefits	210	0	100.0000	492 S-4	702
6		Testing Supplies/Services	870	0	100.0000	426 S-5	1,296
7		Maintenance & Supplies Expense	1,146	0	100.0000	0 S-6	1,146
8		Accounting Fees	323	0	100.0000	0 S-7	323
9		Annual Registration	23	0	100.0000	0 S-8	23
10		PSC Assessment	225	0	100.0000	24 S-9	249
11		Office Supplies	299	0	100.0000	0 S-10	299
12		Postage Expense	247	0	100.0000	0 S-11	247
13		Telephone Expense	247	0	100.0000	54 S-12	301
14		Insurance Expense	0	0	100.0000	1,659 S-13	1,659
15		PICA	0	0	100.0000	609 S-14	609
16		AMORTIZE ENGINEERING EXPENSE-5yrs	0	0	100.0000	295 S-15	295
17		Sewer Permit	650	0	100.0000	0 S-16	650
18		Total	\$ 6,777	\$ 0		\$ 10,909	\$ 17,686
Depreciation Expense							
19		Depreciation Expense	0	0	100.0000	184	444
20		CIAC	0	(434)	100.0000	0 S-17	(434)
21		Total	\$ 260	\$ (434)		\$ 184	\$ 10
22		Other Operating Expenses	\$ 0	\$ 0		\$ 0	\$ 0
23		Total Operating Expenses	\$ 7,037	\$ (434)		\$ 11,093	\$ 17,696
24		Net Income Before Taxes	\$ (4,175)	\$ 434		\$ (6,990)	\$ (10,731)

Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Current Income Taxes							
25		Current Income Taxes	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
26		Total	\$ 0	\$ 0		\$ 0	\$ 0
Deferred Income Taxes							
27		Deferred Income Taxes	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
28		Total	\$ 0	\$ 0		\$ 0	\$ 0
29		Total Income Taxes	\$ 0	\$ 0		\$ 0	\$ 0
30		Net Operating Income	\$ (4,175)	\$ 434		\$ (6,990)	\$ (10,731)

Clark

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Hickory Hills Water & Sewer Company, Inc

Case: Q9-07-002

Twelve Months Ended December 31, 2004

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Sewer Revenues S-1		\$ 4,103

1. To annualize Sewer revenues.		\$ 4,103
(Clark)		

Salaries & Wages S-2		\$ 5,418

1. To annualize salary and wages.		\$ 5,418
(Clark)		

Automobile Expense S-3		\$ 1,932

1. To include the expense of the owner's use of vehicle for business.		\$ 1,932
(Clark)		

Retirement Benefits S-4		\$ 492

1. To annualize retirement benefits based on staff's allowed amount.		\$ 492
(Clark)		

Testing Supplies/Services S-5		\$ 426

1. To annualize sewer testing expense by reflecting 12 months of Engineering S&S services.		\$ 426
(Clark)		

Accounting Schedule: 9
Clark
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Hickory Hills Water & Sewer Company, Inc
Case: QS-07-002
Twelve Months Ended December 31, 2004

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

PSC Assessment S-9		\$ 24

1. To normalize to reflect fiscal year 2006 assessment amount. (Clark)		\$ 24

Office Supplies S-10		

1.		

Postage Expense S-11		

1.		

Telephone Expense S-12		\$ 54

1. Annualizes Cell-Phone costs to reflect 12-months of minimum usage. (Clark)		\$ (40)
2. To include an annualized level of toll-free telephone expense.		\$ 94
(Clark)		
3.		

Accounting Schedule: 9-2

Clark

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Hickory Hills Water & Sewer Company, Inc

Case: QS-07-002

Twelve Months Ended December 31, 2004

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment

Insurance Expense S-13		\$ 1,659

1. To include the annual amount of Liability Insurance expense not included in the test year. (Clark)		\$ 1,659

FICA B-14		\$ 609

1. To include FICA. (Clark)		\$ 609

AMORTIZE ENGINEERING EXPENSE-5yrs S-15		\$ 295

1. To amortize engineering expense from Krehbiel Engineering over a 5-year period. (Clark)		\$ 295

Sewer Permit S-16		

1.		

CIAC S-17	\$ (434)	

1. Removes CIAC portion of Depreciation expense. (Clark)	\$ (434)	

Hickory Hills Water & Sewer Company, Inc

Case: Q5-07-002

Twelve Months Ended December 31, 2004

Income Tax

Line		Test Year	8.31% Return
(A)		(B)	
1	Net Income Before Taxes (Sch 8)	\$ (10,731)	\$ 41
	Add to Net Income Before Taxes		
2	Book Depreciation Expense	\$ 10	\$ 10
3	Total	\$ 10	\$ 10
	Subtr from Net Income Before Taxes		
4	Interest Expense 5.9300 %	\$ 27	\$ 27
5	Depreciation Expense	10	10
6	Total	\$ 37	\$ 37
7	Net Taxable Income	\$ (10,758)	\$ 14
	Provision for Federal Income Tax		
8	Net Taxable Income	\$ (10,758)	\$ 14
9	Deduct Missouri Income Tax 100.0 %	\$ 0	\$ 1
10	Deduct City Income Tax	0	0
11	Federal Taxable Income	(10,758)	13
12	Total Federal Tax	\$ 0	\$ 2
	Provision for Missouri Income Tax		
13	Net Taxable Income	\$ (10,758)	\$ 14
14	Deduct Federal Income Tax 50.0 %	\$ 0	\$ 1
15	Deduct City Income Tax	0	0
16	Missouri Taxable Income	(10,758)	13
17	Total Missouri Tax	\$ 0	\$ 1

Accounting Schedule: 10

Clark

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Hickory Hills Water & Sewer Company, Inc

Case: QS-07-003

Twelve Months Ended December 31, 2004

Income Tax

Line	Test Year	0.314 Return
(A)	(B)	
Provision for City Income Tax		
18 Net Taxable Income	\$ (10,758)	\$ 14
19 Deduct Federal Income Tax	\$ 0	\$ 2
20 Deduct Missouri Income Tax	0	1
21 City Taxable Income	(10,758)	11

22 Total City Tax	\$ 0	\$ 0
Summary of Provision for Income Tax		
23 Federal Income Tax	\$ 0	\$ 2
24 Missouri Income Tax	0	1
25 City Income Tax	0	0

26 Total	\$ 0	\$ 3
Deferred Income Taxes		
27 Deferred Investment Tax Credit	\$ 0	\$ 0
28 Deferred Repair Allowance	0	0
29 Deferred Tax Depreciation	0	0
30 Amort of Deferred Tax Depreciation	0	0
31 Amort of Repair Allowance	0	0
32 Amort of Deferred ITC	0	0
33 Deferred Unbilled	0	0

34 Total	\$ 0	\$ 0

35 Total Income Tax	\$ 0	\$ 3

Accounting Schedule: 10-2