

**MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT**

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

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

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

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 4,680	0.3795
Commercial	3,125	0.2534
Industrial	592	0.0480
Other Public Authority	851	0.0690
Sales for Resale	-	0.0000
Private Fire Protection	472	0.0383
Public Fire Protection	2,612	0.2118
Total	<u>12,333</u>	<u>1.0000</u>

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

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

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 61,736	0.7183
Commercial	13,805	0.1606
Industrial	708	0.0082
Other Public Authority	3,512	0.0409
Sales for Resale	-	0.0000
Private Fire Protection	3,723	0.0433
Public Fire Protection	2,466	0.0287
Total	<u>\$85,950</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT**

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

<u>Customer Classification</u>	<u>Total Customers</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Residential	8,960	0.8263
Commercial	1,441	0.1329
Industrial	13	0.0012
Other Public Authority	275	0.0254
Sales for Resale	0	0.0000
Private Fire Protection	154	0.0142
Public Fire Protection	0	0.0000
Total	<u>10,843</u>	<u>1.0000</u>

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

<u>Customer Classification</u>	<u>Total Metered Customers</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Residential	8,960	0.8383
Commercial	1,441	0.1348
Industrial	13	0.0012
Other Public Authority	275	0.0257
Sales for Resale	0	0.0000
Total	<u>10,689</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT**

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

**FACTOR 15. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$540,945	0.6719
Commercial	180,239	0.2239
Industrial	25,973	0.0323
Other Public Authority	44,418	0.0552
Sales for Resale	0	0.0000
Private Fire Protection	13,190	0.0164
Public Fire Protection	160	0.0003
Total	<u>\$804,923</u>	<u>1.0000</u>

Schedule C-JFC

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification	Direct Labor Expense	Allocation Factor
(1)	(2)	(3)
Residential	\$471,840	0.6171
Commercial	193,986	0.2537
Industrial	32,546	0.0426
Other Public Authority	48,757	0.0638
Sales for Resale	0	0.0000
Private Fire Protection	10,313	0.0135
Public Fire Protection	7,123	0.0093
Total	<u>\$764,565</u>	<u>1.0000</u>

FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification	Original Cost Less Depreciation	Allocation Factor
(1)	(2)	(3)
Residential	\$6,771,750	0.4436
Commercial	4,309,409	0.2823
Industrial	855,095	0.0560
Other Public Authority	1,150,229	0.0753
Sales for Resale	0	0.0000
Private Fire Protection	259,912	0.0170
Public Fire Protection	1,921,093	0.1258
Total	<u>\$15,267,488</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT**

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

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification <u>(1)</u>	Original Cost Measure of Value <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$6,242,287	0.4432
Commercial	3,972,072	0.2820
Industrial	787,986	0.0559
Other Public Authority	1,060,484	0.0753
Sales for Resale	0	0.0000
Private Fire Protection	240,776	0.0171
Public Fire Protection	<u>1,781,734</u>	<u>0.1265</u>
Total	<u><u>\$14,085,339</u></u>	<u><u>1.0000</u></u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification <u>(1)</u>	Total Cost of Service <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$3,043,754	0.5469
Commercial	1,487,702	0.2673
Industrial	278,811	0.0501
Other Public Authority	383,548	0.0689
Sales for Resale	0	0.0000
Private Fire Protection	80,599	0.0145
Public Fire Protection	<u>291,074</u>	<u>0.0523</u>
Total	<u><u>\$5,565,488</u></u>	<u><u>1.0000</u></u>

MISSOURI-AMERICAN WATER COMPANY

JEFFERSON CITY DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
RATE BASE									
Organization	17	\$ 5,040	\$ 2,236	\$ 1,423	\$ 282	\$ 380	\$ -	\$ 86	\$ 634
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	0	0	0	0	0	0	0	0
Land & Ld Rights P	6	944	430	335	75	88	0	3	14
Land & Ld Rights WT	2	50,762	23,462	18,269	4,066	4,772	0	30	162
Land & Ld Rights TD	7	45,514	15,548	11,788	2,394	3,095	0	1,943	10,746
Land & Land Rights AG	15	7,181	4,825	1,608	232	396	0	118	2
Struct & Imp SS	2	1,007	465	362	81	95	0	1	3
Struct & Imp P	6	535,625	244,245	190,147	42,314	49,652	0	1,446	7,820
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	2,087,116	964,665	751,153	167,178	196,189	0	1,252	6,679
Struct & Imp WT Nth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Crt Pit 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Crt Pit 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	41,129	14,050	10,652	2,163	2,797	0	1,756	9,711
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	125,567	84,368	28,114	4,056	6,931	0	2,059	38
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	0	0	0	0	0	0	0	0
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	336,839	155,687	121,228	26,981	31,663	0	202	1,078
Wells & Springs	2	0	0	0	0	0	0	0	0
Supply Mains	2	0	0	0	0	0	0	0	0
Supply Mains Nth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Crt Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Pit (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	0	0	0	0	0	0	0	0
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	1,114,417	508,174	395,618	88,039	103,306	0	3,009	16,270
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman)	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Crt Pit	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	0	0	0	0	0	0	0	0
WT Equip Non-Media	2	1,718,451	794,268	618,471	137,648	161,534	0	1,031	5,499
WT Equip Non-Med North (STL	2	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
WT Equip Non Media Ctl 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctl 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	(9,153)	(4,231)	(3,294)	(733)	(860)	0	0	(29)
Dist Reservoirs & Standpipe	5	0	0	0	0	0	0	0	0
Elevated Tanks & Standpipes	5	0	0	0	0	0	0	0	0
Ground Level Facilities	5	936,457	379,452	285,619	56,562	75,104	0	21,351	118,368
TD Mains Not Classified by	7	3,926,633	1,341,338	1,016,998	206,541	267,011	0	167,667	927,078
TD Mains 4 & Less	4	19,371	6,303	4,746	939	1,247	0	939	5,195
TD Mains 6 to 8"	4	334,178	108,742	81,874	16,208	21,521	0	16,208	89,627
TD Mains 10 to 16"	3	687,704	295,919	230,449	51,234	60,174	0	7,634	42,294
TD Mains 18 & Grtr	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL)	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL)	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL)	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL)	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL)	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL)	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL)	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	334,926	258,027	49,234	703	12,426	0	14,536	0
Meters Bronze Case	9	2,785	1,976	570	23	217	0	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	844,710	599,237	172,912	6,842	65,718	0	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	273,204	193,811	55,925	2,213	21,255	0	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	680,097	0	0	0	0	0	0	0
Other P/E Intangible	15	0	0	0	0	0	0	0	680,097
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	91,678	61,599	20,527	2,961	5,061	0	1,504	28
Office Furniture & Equip	15	212,856	143,018	47,658	6,875	11,750	0	3,491	64
Comp & Periph Equip	15	352,460	236,818	78,916	11,384	19,456	0	5,780	106
Computer Software	15	142,858	95,986	31,986	4,614	7,886	0	2,343	43
Comp Software Personal	15	2,790	1,875	625	90	154	0	46	1
Data Handling Equipment	15	0	0	0	0	0	0	0	0
Other Office Equipment	15	336	226	75	11	19	0	6	0
Trans Equip Lt Duty Trks	15	12,363	8,307	2,768	399	682	0	203	4
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	4,248	2,854	951	137	234	0	70	1
Trans Equip Other	15	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Stores Equipment	15	895	601	200	29	49	0	15	0
Tools, Shop, Garage Equip	15	213,514	143,460	47,806	6,897	11,786	0	3,502	64
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	30,976	14,317	11,148	2,481	2,912	0	19	99
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	(47,169)	(31,693)	(10,561)	(1,524)	(2,604)	0	(774)	(14)
Comm Equip Non-Telephone	15	19,971	13,419	4,472	645	1,102	0	328	6
Comm Equip Telephone	15	736	495	165	24	41	0	12	0
Misc Equipment	15	133,512	89,707	29,893	4,312	7,370	0	2,190	40
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		15,272,528	6,773,985	4,310,832	855,378	1,150,609	0	259,998	1,921,727
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	21,000	14,110	4,702	678	1,159	0	344	6
Materials and Supplies	15	177,087	118,985	39,650	5,720	9,775	0	2,904	53
Prepayments	15	16,223	10,900	3,632	524	896	0	266	5
OP&B's Contributed to External Fund	16	0	0	0	0	0	0	0	0
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	232,156	102,984	65,538	13,001	17,481	0	3,947	29,205
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,322,480)	(586,652)	(373,336)	(74,059)	(98,583)	0	(22,482)	(166,368)
Pensions	16	(311,175)	(192,026)	(78,945)	(13,256)	(19,853)	0	(4,201)	(2,694)
Total Other Rate Base Elements		(1,187,189)	(531,699)	(338,760)	(67,392)	(90,124)	0	(19,222)	(139,992)
Total Original Cost Measure of Value		\$ 14,085,339	\$ 6,242,287	\$ 3,972,072	\$ 787,986	\$ 1,060,484	\$ -	\$ 240,776	\$ 1,781,734

**MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT**

**SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1999-2005**

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1999	3.810	6.500	1.71	7/22/1999
2000	4.101	5.690	1.39	7/11/2000
2001	3.739	5.240	1.40	8/21/2001
2002	3.861	5.980	1.55	8/5/2002
2003	4.171	6.990	1.68	8/17/2003
2004	4.042	5.760	1.42	7/22/2004
2005	4.276	6.348	1.48	8/2/2005

MISSOURI-AMERICAN WATER COMPANY
JEFFERSON CITY DISTRICT

BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS

Description (1)	Restrictive Diameters Squared (2)	Quantity (3)	Relative Demand* (4)=(2)x(3)	Allocation Factor (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	10	40	
3 -inch	9.00	1	9	
4 -inch	16.00	27	432	
6 -inch	36.00	53	1,908	
8 -inch	64.00	19	1,216	
10 -inch	100.00	5	500	
12 -inch	144.00	0	0	
Private Hydrants	32.75	39	1,277	
Total Private Fire Protection		154	5,382	0.1535
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	904	29,606
2 -inch Fire Line		4.00	13	52
4 -inch Fire Line		16.00	1	16
Total Public Fire Protection		918	29,674	0.8465
Total Fire Protection		1,072	35,056	1.0000

JOPLIN DISTRICT

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED JUNE 30, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 6,286,720	49.2%	\$ 4,079,112	53.2%	\$ 5,109,295	53.2%	\$ 1,030,183	25.3%
Commercial	2,863,942	22.4%	1,597,510	20.8%	2,000,752	20.8%	403,242	25.2%
Industrial	2,625,729	20.5%	1,370,588	17.8%	1,716,530	17.8%	345,942	25.2%
Public Authority	339,749	2.7%	187,361	2.4%	234,649	2.4%	47,288	25.2%
Sales for Resale	463,650	3.6%	200,198	2.6%	250,726	2.6%	50,528	25.2%
Private Fire Service	198,447	1.6%	244,802	3.2%	306,592	3.2%	61,790	25.2%
Public Fire Service	-	0.0%	\$0	0.0%	\$0	0.0%	-	-
Total Sales	12,778,238	100.0%	7,679,571	100.0%	9,618,544	100.0%	1,938,973	25.2%
Other Revenues	239,184		239,184		239,184		-	0.0%
Total	\$ 13,017,423		\$ 7,918,755		\$ 9,857,728		\$ 1,938,973	24.5%

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	0	0	0	0	0	0	0	0
Labor & Exp Oper SS	2	19,106	6,787	4,706	6,097	543	909	15	50
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		19,106	6,787	4,706	6,097	543	909	15	50
Misc Exp Oper SS	2	293,303	104,181	72,241	93,593	8,330	13,961	235	763
Misc Exp Oper SS	2	2,548	905	828	813	72	121	2	7
Rents Oper SS	2	0	0	0	0	0	0	0	0
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Colled & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infil Gail & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Infil Gail & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	13,326	4,733	3,282	4,252	378	634	11	35
Misc Plant Maint SS	2	2,307	819	568	736	66	110	2	6
TOTAL SS EXPENSE - MAINTENANCE		311,484	110,639	76,719	99,395	8,846	14,827	249	810
TOTAL SS EXPENSE		330,590	117,426	81,424	105,491	9,389	15,736	264	860
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	57,635	20,518	14,207	17,838	1,637	2,738	167	530
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	318,642	98,683	75,773	117,196	8,731	16,410	446	1,402
Labor & Exp Oper Pump	6	282,034	93,284	64,591	81,100	7,442	12,447	760	2,411
Labor & Exp Oper Pump	6	721	257	178	223	20	34	2	7
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	4,898	1,744	1,207	1,516	139	233	14	45
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		643,930	214,466	155,957	217,873	17,969	31,861	1,389	4,395

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Public (10)
Super & Eng Maint P	6	33,301	11,855	8,209	10,307	946	1,582	97	306
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	38,802	13,813	9,565	12,009	1,102	1,843	113	357
Pump Equip Maint P	6	9,718	3,460	2,395	3,008	276	462	28	89
TOTAL PUMPING EXPENSES - MAINTENANCE		81,821	29,128	20,169	25,323	2,324	3,888	237	753
TOTAL PUMPING EXPENSES		725,751	243,614	176,125	243,197	20,293	35,748	1,627	5,147
WATER TREATMENT									
Super & Eng Oper WT	2	24,583	8,732	6,055	7,845	698	1,170	20	64
Chemicals	1	455,848	141,176	108,401	167,661	12,490	23,476	638	2,006
Labor & Exp Oper WT	2	77,288	27,453	19,036	24,662	2,195	3,679	62	201
Labor & Exp Oper WT	2	8,644	3,070	2,129	2,758	245	411	7	22
Misc Exp Oper WT	2	66,403	23,586	16,355	21,189	1,896	3,161	53	173
Misc Exp Oper WT	1	12,626	3,910	3,002	4,644	346	650	18	56
Misc Exp Oper WT	2	18,894	6,711	4,853	6,029	537	899	15	49
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		684,285	214,639	159,631	234,788	18,397	33,447	813	2,570
Super & Eng Maint WT	2	48,755	17,318	12,008	15,558	1,385	2,321	39	127
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	16,883	5,990	4,153	5,381	478	803	13	44
TOTAL WT EXPENSE - MAINTENANCE		65,618	23,307	16,162	20,939	1,864	3,123	52	171
TOTAL WT EXPENSE		729,903	237,946	175,793	255,727	20,261	36,570	865	2,741
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	16,175	10,449	3,086	869	477	345	264	686
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	172	54	36	39	4	6	8	24
TD Lines Exp	7	77,562	29,458	19,817	8,020	2,288	3,599	3,397	10,983
TD Lines Exp	7	17,056	6,478	4,358	1,784	503	791	747	2,415
Meter Expense	9	201,478	152,700	33,425	6,870	6,226	2,257	0	0
Meter Expense	9	5,882	4,458	976	201	182	66	0	0
Customer Install Exp	10	14,170	11,214	1,713	88	125	13	1,017	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Misc Exp Oper TD	11	8,867	5,728	1,692	478	262	189	145	376

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Misc Exp Oper TD	11	1,182	784	226	63	35	25	19	50
Misc Exp Oper TD	11	21,432	13,845	4,089	1,151	632	457	349	909
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		363,976	235,148	69,418	19,541	10,733	7,747	5,946	15,443
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	78	26	15	6	2	3	3	25
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	105,659	40,129	26,996	10,925	3,117	4,903	4,628	14,961
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	6,292	4,979	761	39	55	6	452	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	6,836	5,181	1,134	233	211	77	0	0
Meters Maint TD	9	935	709	155	32	29	10	0	0
Hydrants Maint TD	8	33,609	0	0	0	0	0	0	33,609
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	0	0	0	0	0	0	0	0
Mat and Sup Maint TD	12	25,848	8,597	4,896	1,892	576	843	856	8,189
Misc Maint TD	12	0	0	0	0	0	0	0	0
Amort Def Maint TD	5	86,898	27,425	18,179	19,908	2,094	3,224	3,797	12,270
TOTAL T & D EXPENSE - MAINTENANCE		266,155	87,046	52,135	33,035	6,085	9,064	9,735	69,064
TOTAL T & D EXPENSE		630,131	322,194	121,553	52,576	16,818	16,811	15,681	84,497
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	183,489	160,478	21,248	608	1,101	55	0	0
Meter Reading Exp CA	14	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	(29)	(26)	(3)	(0)	(0)	(0)	0	0
Cust Rec & Collection CA	13	0	0	0	0	0	0	0	0
Cust Rec & Collection CA	13	95,553	82,252	10,883	308	964	29	1,519	0
Uncollectible Accts	13	145,763	125,473	16,602	466	860	44	2,318	0
Misc Cust Accts Exp CA	13	18,359	15,803	2,091	59	108	6	292	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	11,956	10,291	1,362	38	71	4	190	0
Cust Serv & Info Exp CA	13	(5)	(4)	(1)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		455,085	394,269	52,183	1,475	2,703	137	4,319	0
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	271,415	139,534	54,690	48,040	6,243	8,387	2,823	11,698
Other Supplies & Exp AG	15	1,737	893	350	307	40	54	18	75

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account	Factor Ref.	Cost of Service	Residential	Commercial	Industrial	Public Authorities	Sales for Resale	Private	Fire Protection
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Other Supplies & Exp AG	15	60,033	30,863	12,097	10,626	1,381	1,855	624	2,587
Other Supplies & Exp AG	15	45,805	23,548	9,230	8,107	1,054	1,415	476	1,974
Mgmt Fees-Corporate/Shared Service Center	15	928,743	477,467	187,142	164,387	21,361	28,698	9,659	40,029
Mgmt Fees-Call Center	13	34,035	29,298	3,877	109	201	10	541	0
Mgmt Fees-Bellefonte Lab	2	42,836	15,215	10,551	13,689	1,217	2,039	34	111
Mgmt Fees- Financial ITS	15	323,670	166,399	65,220	57,290	7,444	10,001	3,366	13,950
Mgmt Fees- Customer Billings ITS	13	(12)	(10)	(1)	(0)	(0)	(0)	(0)	0
Mgmt Fees-Other ITS	15	4,199	2,159	846	743	97	130	44	181
Outside Services AG	15	30,506	15,683	6,147	5,400	702	943	317	1,315
Outside Services AG	15	180,812	92,956	36,434	32,004	4,159	5,587	1,880	7,793
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Lab Oper AG	15	148,715	76,455	29,966	26,323	3,420	4,595	1,547	6,410
Ins Work Comp AG	16	59,119	30,488	11,972	9,849	1,419	1,821	562	3,009
Ins Other Oper AG	15	58,738	29,169	11,433	10,043	1,305	1,753	590	2,445
Property Insurance	15	5,158	2,651	1,039	913	119	159	54	222
Injuries & Damages	16	220	114	45	37	5	7	2	11
Employee Pension & Benefits	16	418,021	215,573	84,649	69,642	10,032	12,875	3,971	21,277
Employee Pension & Benefits	16	173,379	89,412	35,109	28,885	4,161	5,340	1,647	8,825
Employee Pension & Benefits	16	41,475	21,388	8,399	6,910	995	1,277	394	2,111
Reg Commission Exp	15	13,762	7,075	2,773	2,436	317	425	143	593
Rents AG	15	36,992	19,018	7,454	6,548	851	1,143	385	1,594
Goodwill Advertising Exp	15	575	295	116	102	13	18	6	25
Misc Exp AG	15	187,640	96,466	37,810	33,212	4,316	5,798	1,951	8,087
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		3,065,573	1,582,108	617,344	535,581	70,850	94,331	31,035	134,324
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	15,535	7,986	3,130	2,750	357	480	162	670
TOTAL A & G EXPENSE - MAINTENANCE		15,535	7,986	3,130	2,750	357	480	162	670
TOTAL A & G EXPENSE		3,081,108	1,590,094	620,474	538,331	71,207	94,811	31,196	134,994
Total Operation & Maintenance Expenses		5,952,568	2,905,543	1,227,553	1,196,796	140,671	199,813	53,953	228,239

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	49,629	17,628	12,224	15,837	1,409	2,362	40	129
Struct & Imp P	6	302,190	107,580	74,490	93,528	8,582	14,354	876	2,780
Struct & Imp WT	2	20,231	7,188	4,983	6,456	575	983	16	53
Struct & Imp TD	7	8,914	3,386	2,278	922	263	414	390	1,282
Struct & Imp Offices	15	360	185	73	64	8	11	4	16
Struct & Imp Leasehold	15	498	256	100	88	11	15	5	21
Struct & Imp Store Shop, Gar	15	1,628	837	328	288	37	50	17	70
Struct & Imp Misc	15	868	446	175	154	20	27	9	37
Collect & Impounding	1	1,685	522	401	620	46	87	2	7
Lake, River & Other Intakes	2	1,979	1,979	1,372	1,778	158	265	4	14
Wells & Springs	2	78,226	27,786	19,267	24,962	2,222	3,724	63	203
Supply Mains	2	5,523	1,962	1,360	1,762	157	263	4	14
Power Generation Equip Othe	6	1,682	589	415	521	48	80	5	15
Boiler Plant Equipment P	6	19	7	5	6	1	1	0	0
Pump Equip Electric	6	47,035	16,744	11,594	14,557	1,336	2,234	136	433
Pump Equip Diesel	6	1,547	551	381	479	44	73	4	14
Pump Equip Steam	6	81	29	20	25	2	4	0	1
Pump Equip Other	6	2,941	1,047	725	910	84	140	9	27
WT Equip Non-Media	2	47,959	17,035	11,812	15,304	1,362	2,283	38	125
WT Equip Filter Media	2	3,880	1,378	956	1,238	110	185	3	10
Dist Reservoirs & Standpipe	5	54,193	17,103	11,337	12,416	1,308	2,011	2,368	7,652
Elevated Tanks & Standpipes	5	59,599	18,809	12,468	13,654	1,436	2,211	2,604	8,415
Ground Level Facilities	5	33	10	7	8	1	1	1	5
TD Mains Not Classified by	7	60,438	22,954	15,442	6,249	1,783	2,804	2,647	8,558
TD Mains 4 & Less	4	25,357	9,882	6,608	1,402	763	1,187	1,303	4,212
TD Mains 6 to 8"	4	238,148	92,806	62,061	13,170	7,168	11,145	12,241	39,556
TD Mains 10 to 16"	3	147,124	49,757	34,501	44,711	3,972	6,650	1,780	5,753
TD Mains 18 & Grtr	3	12,832	4,340	3,009	3,900	346	580	155	502
Services	10	(89,532)	(70,856)	(10,824)	(555)	(788)	(81)	(6,428)	0
Meters Bronze Case	9	(10,504)	(7,961)	(1,743)	(358)	(325)	(118)	0	0
Meters Plastic Case	9	265	201	44	9	8	3	0	0
Meters Other	9	3,739	2,834	620	127	116	42	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	81,120	61,481	13,458	2,766	2,507	909	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	4,509	0	0	0	0	0	0	4,509
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	151	54	37	48	4	7	0	0
Other P/E TD	7	0	0	0	0	0	0	0	0
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	8,106	4,167	1,633	1,435	186	250	84	349
Comp & Periph Equip	15	78,448	40,330	15,807	13,885	1,804	2,424	816	3,381
Computer Software	15	72,993	37,526	14,708	12,920	1,679	2,255	759	3,146
Comp Software Personal	15	1,419	730	286	251	33	44	15	61

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Data Handling Equipment	15	269	138	54	48	6	8	3	12
Other Office Equipment	15	1,791	921	361	317	41	55	19	77
Trans Equip Lt Duty Trks	15	5,791	2,977	1,167	1,025	133	179	60	250
Trans Equip Hwy Duty Trks	15	1,044	537	210	185	24	32	11	45
Trans Equip Autos	15	3,583	1,842	722	634	82	111	37	154
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	560	288	113	99	13	17	6	24
Tools, Shop, Garage Equip	15	19,039	9,788	3,836	3,370	438	588	198	821
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	4,899	1,740	1,207	1,563	139	233	4	13
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	11,092	5,702	2,235	1,963	255	343	115	478
Comm Equip Non-Telephone	15	2,879	1,480	580	510	66	89	30	124
Comm Equip Telephone	15	76	39	15	13	2	2	1	3
Misc Equipment	15	5,028	2,584	1,013	890	116	155	52	217
Total Depreciation Expense		1,384,954	519,346	333,931	316,151	39,792	61,674	20,510	93,550
Amort-Other UP	18	1,714	743	377	345	44	64	39	102
Taxes Other Than Income									
Utility Reg Assessment Fee	19	57,531	26,067	12,409	11,725	1,438	2,088	892	2,911
Property Taxes	18	404,897	175,463	88,996	81,546	10,365	15,103	9,272	24,132
FUTA	16	1,503	775	304	250	36	46	14	76
FICA	16	116,151	59,899	23,521	19,351	2,788	3,577	1,103	5,912
SUTA	16	847	437	171	141	20	26	8	43
Other Taxes & Licenses	15	29,186	15,005	5,881	5,166	671	902	304	1,258
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		610,114	277,665	131,283	118,179	15,319	21,743	11,593	34,333
Income Taxes									
Income Taxes	18	1,427,238	618,565	313,707	287,446	36,537	53,236	32,684	85,063
Utility Income Available for Return									
Utility Income Available for Return	18	3,640,835	1,577,938	800,256	733,254	93,205	134,803	83,375	216,994
Total Cost of Service		13,017,423	5,899,800	2,807,106	2,652,182	325,568	472,333	202,154	656,281
Leas: Other Water Revenues	19	239,184	108,374	51,592	48,746	5,980	8,682	3,707	12,103
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		239,184	108,374	51,592	48,746	5,980	8,682	3,707	12,103
Total Cost of Service Related to Sales of Water		\$ 12,778,238	\$ 5,791,425	\$ 2,755,514	\$ 2,603,436	\$ 319,588	\$ 463,650	\$ 198,447	\$ 646,178
Reallocation of Public Fire	20	0	495,285	108,429	22,293	20,161	0	0	(646,178)
Total		\$ 12,778,238	\$ 6,286,720	\$ 2,863,942	\$ 2,625,729	\$ 339,749	\$ 463,650	\$ 198,447	\$ -

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	3,362	0.3097
Commercial	2,582	0.2378
Industrial	3,994	0.3678
Other Public Authority	298	0.0274
Sales for Resale	559	0.0515
Private Fire Protection	15	0.0014
Public Fire Protection	48	0.0044
Total	10,858	1.0000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.5882	(4)	(5)=(4)x 0.4118	(6)=(3)+(5)
Residential	0.3097	0.1822	0.4203	0.1730	0.3552
Commercial	0.2378	0.1399	0.2583	0.1064	0.2463
Industrial	0.3678	0.2163	0.2497	0.1028	0.3191
Other Public Authority	0.0274	0.0161	0.0298	0.0123	0.0284
Sales for Resale	0.0515	0.0303	0.0419	0.0173	0.0476
Private Fire Protection	0.0014	0.0008			0.0008
Public Fire Protection	0.0044	0.0026			0.0026
Total	1.0000	0.5882	1.0000	0.4118	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

**FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	3,362	1.0	3,362	0.4203
Commercial	2,582	0.8	2,066	0.2583
Industrial	3,994	0.5	1,997	0.2497
Other Public Authority	298	0.8	238	0.0298
Sales for Resale	559	0.6	335	0.0419
Total	10,795		7,998	1.0000

The weighting of the factors is based on the maximum day ratio of 1.70, based on a review of maximum day ratios experienced during the period 1990 through 2005 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.5882
Maximum Day Extra Capacity	0.70	0.4118
Total	1.70	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.5600	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.3921	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0479	
Residential	0.3097	0.1734	0.4203	0.1648			0.3382
Commercial	0.2378	0.1332	0.2583	0.1013			0.2345
Industrial	0.3678	0.2060	0.2497	0.0979			0.3039
Other Public Authority	0.0274	0.0153	0.0298	0.0117			0.0270
Sales for Resale	0.0515	0.0288	0.0419	0.0164			0.0452
Private Fire Protection	0.0014	0.0008			0.2366	0.0113	0.0121
Public Fire Protection	0.0044	0.0025			0.7634	0.0366	0.0391
Total	1.0000	0.5600	1.0000	0.3921	1.0000	0.0479	1.0000

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.70 and the average daily system sendout for 2005 of 12.632 MGD. The system demand for fire protection is 6,000 Gallons per minute for 3 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	12,632,000	0.5600
Maximum Day			
Extra Capacity	<u>0.70</u>	<u>8,842,400</u>	<u>0.3921</u>
Subtotal	<u><u>1.70</u></u>	21,474,400	0.9521
Fire Protection		<u>1,080,000</u>	<u>0.0479</u>
Total		<u><u>22,554,400</u></u>	<u><u>1.0000</u></u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3140	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4711	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.2149	Allocation Factor (9)=(4)+(6)+(8)	
Residential	140.1	0.4412	0.1386	0.5329	0.2511			0.3897	
Commercial	107.6	0.3389	0.1064	0.3274	0.1542			0.2606	
Industrial	31.5	0.0992	0.0311	0.0514	0.0242			0.0553	
Other Public Authority	12.4	0.0391	0.0123	0.0377	0.0178			0.0301	
Sales for Resale	23.3	0.0734	0.0230	0.0506	0.0238			0.0468	
Private Fire Protection	0.6	0.0019	0.0006			0.2366	0.0508	0.0514	
Public Fire Protection	2.0	0.0063	0.0020			0.7634	0.1641	0.1661	
Total	317.5	1.0000	0.3140	1.0000	0.4711	1.0000	0.2149	1.0000	

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

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

**FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.5 and the average daily system sendout for 2005 of 12.632 MGD. The system demand for fire protection is 6,000 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	8,772	0.3140
Maximum Hour Extra Capacity	1.50	13,158	0.4711
Subtotal	2.50	21,930	0.7851
Fire Protection		6,000	0.2149
Total		27,930	1.0000

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	140.1	3.5	490.4	0.5329
Commercial	107.6	2.8	301.3	0.3274
Industrial	31.5	1.5	47.3	0.0514
Other Public Authority	12.4	2.8	34.7	0.0377
Sales for Resale	23.3	2.0	46.6	0.0506
Total	314.9		920.3	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3268	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4901	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1831		
(1)									
Residential	140.1	0.3098	0.1013	0.4369	0.2143				0.3156
Commercial	107.6	0.2378	0.0777	0.2684	0.1315				0.2092
Industrial	166.4	0.3678	0.1202	0.2223	0.1089				0.2291
Other Public Authority	12.4	0.0274	0.0090	0.0309	0.0151				0.0241
Sales for Resale	23.3	0.0515	0.0168	0.0415	0.0203				0.0371
Private Fire Protection	0.6	0.0013	0.0004			0.2366	0.0433		0.0437
Public Fire Protection	2.0	0.0044	0.0014			0.7634	0.1398		0.1412
Total	452.4	1.0000	0.3268	1.0000	0.4901	1.0000	0.1831		1.0000

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity. The calculation is shown on the following page.

Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY JOPLIN DISTRICT

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

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

The weighting of the factors is based on the ratio of the capacity required for a 3 hour demand of fire flow, as related to total storage capacity.

$$\text{Fire Protection Weight} = \frac{6,000 \text{ GPM} \times 60 \text{ Min.} \times 3 \text{ Hrs.}}{5,900,000 \text{ Gallons}} = 0.1831$$

$$\text{General Service Weight} = 1.0000 - 0.1831 = 0.8169$$

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

	Maximum Hour Ratio	Percent	Weight
Average Hour	1.00	40.00	0.3268
Extra Capacity Maximum Hour	1.50	60.00	0.4901
Total	2.50	100.00	0.8169

Customer Classification (1)	Average Hourly Consumption Thousand Gal. (2)	Maximum Hour Extra Capacity		
		Factor* (3)	1,000 Gallons Per Hour (4)=(2)x(3)	Allocation Factor (5)
Residential	140.1	3.5	490.4	0.4369
Commercial	107.6	2.8	301.3	0.2684
Industrial	166.4	1.5	249.6	0.2223
Other Public Authority	12.4	2.8	34.7	0.0309
Sales for Resale	23.3	2.0	46.6	0.0415
Total	449.8		1,122.6	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

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

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

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.9365	(4)	(5)=(4)X 0.0291	(6)	(7)=(6)X 0.0344	(8)=(3)+ (5)+(7)
Residential	0.3552	0.3327	0.3382	0.0099	0.3897	0.0134	0.3560
Commercial	0.2463	0.2307	0.2345	0.0068	0.2606	0.0090	0.2465
Industrial	0.3191	0.2988	0.3039	0.0088	0.0553	0.0019	0.3095
Other Public Authority	0.0284	0.0266	0.0270	0.0008	0.0301	0.0010	0.0284
Sales for Resale	0.0476	0.0446	0.0452	0.0013	0.0468	0.0016	0.0475
Private Fire Protection	0.0008	0.0007	0.0121	0.0004	0.0514	0.0018	0.0029
Public Fire Protection	0.0026	0.0024	0.0391	0.0011	0.1661	0.0057	0.0092
Total	<u>1.0000</u>	<u>0.9365</u>	<u>1.0000</u>	<u>0.0291</u>	<u>1.0000</u>	<u>0.0344</u>	<u>1.0000</u>

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

	<u>Horsepower of Pumps</u>	<u>Weight</u>
Associated with Maximum Day	4,350	0.9365
Associated with Maximum Day and Fire	135	0.0291
Associated with Maximum Hour	<u>160</u>	<u>0.0344</u>
Total	<u>4,645</u>	<u>1.0000</u>

Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

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

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.1935	(4)	(5)=(4)X 0.8065	(6)=(3)+(5)
Residential	0.3382	0.0655	0.3897	0.3143	0.3798
Commercial	0.2345	0.0454	0.2606	0.2101	0.2555
Industrial	0.3039	0.0588	0.0553	0.0446	0.1034
Other Public Authority	0.0270	0.0052	0.0301	0.0243	0.0295
Sales for Resale	0.0452	0.0087	0.0468	0.0377	0.0464
Private Fire Protection	0.0121	0.0023	0.0514	0.0415	0.0438
Public Fire Protection	0.0391	0.0076	0.1661	0.1340	0.1416
Total	1.0000	0.1935	1.0000	0.8065	1.0000

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	417,044	0.1935
Distribution Mains	1,738,356	0.8065
Total	2,155,400	1.0000

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	22,194	0.7579
Commercial	4,858	0.1659
Industrial	998	0.0341
Other Public Authority	904	0.0309
Sales for Resale	329	0.0112
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u>29,283</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)
5/8	1.0	18,246	18,246	1,806	1,806	8	8	36	36	0	0	20,096	20,096
3/4	1.3	0	0	4	5	0	0	0	0	0	0	4	5
1	1.7	2,250	3,825	549	933	14	24	43	73	1	2	2,857	4,857
1-1/2	3.5	3	11	14	49	0	0	2	7	0	0	19	67
2	4.3	26	112	327	1,406	33	142	51	219	1	4	438	1,883
3	18.0	0	0	0	0	0	0	0	0	0	0	0	0
4	29.3	0	0	12	352	16	469	4	117	0	0	32	938
6	48.4	0	0	4	194	5	242	0	0	2	97	11	533
8	112.9	0	0	1	113	1	113	4	452	2	226	8	904
Total		20,525	22,194	2,717	4,858	77	988	140	904	6	329	23,465	29,283

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	20,937	0.7914
Commercial	3,200	0.1209
Industrial	165	0.0062
Other Public Authority	233	0.0088
Sales for Resale	25	0.0009
Private Fire Protection	1,899	0.0718
Total	26,459	1.0000

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(13)	Number of Services (15)	Weighting (16)
3/4	1.00	18,246	18,246	1,810	1,810	8	8	36	36	0	0	0	0	20,100	20,100
1	1.17	2,250	2,633	549	642	14	16	43	50	1	1	0	0	2,857	3,342
1-1/2	1.58	3	5	14	22	0	0	2	3	0	0	0	0	19	30
2	2.04	26	53	327	667	33	67	51	104	1	2	8	16	446	909
3	2.73	0	0	0	0	0	0	0	0	0	0	1	3	1	3
4	2.88	0	0	12	35	16	46	4	12	0	0	49	141	81	234
6	4.24	0	0	4	17	5	21	0	0	2	8	190	806	201	852
8	6.98	0	0	1	7	1	7	4	28	2	14	117	817	125	873
10	9.50	0	0	0	0	0	0	0	0	0	0	7	67	7	67
12	12.16	0	0	0	0	0	0	0	0	0	0	4	49	4	49
Total		20,525	20,937	2,717	3,200	77	165	140	233	8	25	376	1,899	23,841	26,459

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

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

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

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 204,362	0.6460
Commercial	60,325	0.1908
Industrial	16,982	0.0537
Other Public Authority	9,328	0.0295
Sales for Resale	6,732	0.0213
Private Fire Protection	5,169	0.0163
Public Fire Protection	13,422	0.0424
Total	<u>316,320</u>	<u>1.0000</u>

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

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

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 50,998	0.3326
Commercial	29,046	0.1894
Industrial	11,229	0.0732
Other Public Authority	3,412	0.0223
Sales for Resale	4,995	0.0326
Private Fire Protection	5,080	0.0331
Public Fire Protection	48,571	0.3168
Total	<u>\$153,331</u>	<u>1.0000</u>

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MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

Customer Classification	Total Customers	Allocation Factor
(1)	(2)	(3)
Residential	20,525	0.8608
Commercial	2,717	0.1139
Industrial	77	0.0032
Other Public Authority	140	0.0059
Sales for Resale	6	0.0003
Private Fire Protection	380	0.0159
Public Fire Protection	0	0.0000
Total	23,845	1.0000

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

Customer Classification	Total Metered Customers	Allocation Factor
(1)	(2)	(3)
Residential	20,525	0.8746
Commercial	2,717	0.1158
Industrial	77	0.0033
Other Public Authority	140	0.0060
Sales for Resale	6	0.0003
Total	23,465	1.0000

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

**FACTOR 15. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification	Operation & Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$1,071,679	0.5141
Commercial	419,903	0.2015
Industrial	368,964	0.1770
Other Public Authority	47,897	0.0230
Sales for Resale	64,466	0.0309
Private Fire Protection	21,654	0.0104
Public Fire Protection	89,782	0.0431
Total	<u>\$2,084,344</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification <u>(1)</u>	Direct Labor Expense <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$773,362	0.5157
Commercial	303,606	0.2025
Industrial	249,795	0.1666
Other Public Authority	35,995	0.0240
Sales for Resale	46,247	0.0308
Private Fire Protection	14,284	0.0095
Public Fire Protection	<u>76,344</u>	<u>0.0509</u>
Total	<u><u>\$1,499,633</u></u>	<u><u>1.0000</u></u>

**FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification <u>(1)</u>	Original Cost Less Depreciation <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$20,119,415	0.4333
Commercial	10,209,078	0.2199
Industrial	9,348,111	0.2013
Other Public Authority	1,188,311	0.0256
Sales for Resale	1,733,002	0.0373
Private Fire Protection	1,064,887	0.0229
Public Fire Protection	<u>2,771,093</u>	<u>0.0597</u>
Total	<u><u>\$46,433,897</u></u>	<u><u>1.0000</u></u>

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

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification <u>(1)</u>	Original Cost Measure of Value <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$18,518,767	0.4334
Commercial	9,393,887	0.2198
Industrial	8,606,742	0.2014
Other Public Authority	1,092,981	0.0256
Sales for Resale	1,594,698	0.0373
Private Fire Protection	979,963	0.0229
Public Fire Protection	<u>2,545,765</u>	<u>0.0596</u>
Total	<u>\$42,732,803</u>	<u>1.0000</u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification <u>(1)</u>	Total Cost of Service <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$5,869,908	0.4531
Commercial	2,794,178	0.2157
Industrial	2,640,942	0.2039
Other Public Authority	324,073	0.0250
Sales for Resale	470,255	0.0363
Private Fire Protection	201,126	0.0155
Public Fire Protection	<u>654,800</u>	<u>0.0505</u>
Total	<u>\$12,955,282</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
RATE BASE									
Organization	17	\$ 9,296	\$ 4,028	\$ 2,044	\$ 1,871	\$ 238	\$ 347	\$ 213	\$ 555
Franchises	17	20,740	8,987	4,561	4,175	531	774	475	1,238
Land & Ld Rights SS	2	146,949	52,196	36,194	46,891	4,173	6,995	118	382
Land & Ld Rights P	6	12,561	4,472	3,096	3,888	357	597	36	116
Land & Ld Rights WT	2	11,715	4,161	2,885	3,738	333	558	9	30
Land & Ld Rights TD	7	27,039	10,268	6,908	2,796	798	1,255	1,184	3,829
Land & Land Rights AG	15	717	369	144	127	16	22	7	31
Struct & Imp SS	2	2,040,321	724,722	502,531	651,066	57,945	97,119	1,632	5,305
Struct & Imp P	6	10,281,486	3,660,209	2,534,386	3,182,120	291,994	488,371	29,816	94,590
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	924,401	328,347	227,680	294,976	26,253	44,002	740	2,403
Struct & Imp WT Nth Pkt (ST)	2	0	0	0	0	0	0	0	0
Struct & Imp WT Crtl Pkt 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Crtl Pkt 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Pkt (ST)	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST)	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	390,217	148,204	99,700	40,348	11,511	18,106	17,092	55,255
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	26,898	13,828	5,420	4,761	619	831	280	1,159
Struct & Imp Leasehold	15	4,710	2,421	949	834	108	146	49	203
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store Shop Gar	15	26,035	13,365	5,246	4,608	599	804	271	1,122
Struct & Imp Misc	15	79,006	40,617	15,920	13,984	1,817	2,441	822	3,405
Collect & Impounding	1	27,584	8,543	6,559	10,145	756	1,421	39	121
Lake, River & Other Intakes	2	15,180	5,392	3,739	4,844	431	723	12	39
Wells & Springs	2	3,644,453	1,294,510	897,629	1,162,945	103,502	173,476	2,916	9,476
Supply Mains	2	89,830	31,908	22,125	28,665	2,551	4,276	72	234
Supply Mains Nth Pkt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Crtl Pkt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Pkt (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Pkt (S)	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	61,646	21,946	15,196	19,079	1,751	2,928	179	567
Boiler Plant Equipment P	6	348	124	86	108	10	17	1	3
Pump Equip Steam	6	6,907	2,459	1,703	2,138	196	328	20	64
Pump Equip Electric	6	1,385,331	493,178	341,484	428,760	39,343	65,803	4,017	12,745
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	101,801	36,241	25,094	31,507	2,891	4,836	295	937
Pump Equip Diesel Stratmanh	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Crtl Pkt	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	145,715	51,875	35,919	45,099	4,138	6,921	423	1,341

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection Private (9)	Public (10)
WT Equip Non-Media	2	1,383,681	491,483	340,801	441,533	39,297	65,883	1,107	3,598
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctlr 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctlr 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Slh (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	177,764	63,142	43,783	56,725	5,049	8,462	142	462
Dist Reservoirs & Standpipe	5	1,726,527	544,892	361,189	395,547	41,609	84,054	75,449	243,786
Elevated Tanks & Standpipes	5	2,554,817	806,300	534,468	585,309	61,571	94,784	111,646	360,740
Ground Level Facilities	5	1,487	469	311	341	36	55	85	210
TD Mains Not Classified by	7	394,035	149,654	100,676	40,743	11,624	18,283	17,259	55,795
TD Mains 4 & Less "	4	658,531	256,629	171,613	36,417	19,822	30,819	33,848	108,382
TD Mains 6 to 8" "	4	6,177,819	2,407,496	1,608,940	341,633	185,952	289,122	317,540	1,026,136
TD Mains 10 to 16" "	3	3,793,259	1,282,880	889,519	1,152,771	102,418	171,455	45,898	146,316
TD Mains 18 & Grtr "	3	326,902	110,558	76,658	99,345	8,826	14,776	3,956	12,782
TD Mains AC 4 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL) "	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL) "	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL) "	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL) "	3	0	0	0	0	0	0	0	0
Fire Mains	8	0	0	0	0	0	0	0	0
Services	10	5,512,150	4,362,316	666,419	34,175	48,507	4,961	395,772	0
Meters Bronze Case	9	891,487	675,643	147,894	30,399	27,546	9,984	0	0
Meters Plastic Case	9	12,265	9,296	2,035	418	379	137	0	0
Meters Other	9	43,872	33,251	7,278	1,496	1,356	491	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	2,425,765	1,838,487	402,434	82,719	74,956	27,169	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	607,544	0	0	0	0	0	0	607,544
Other P/E Intangible	15	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	8,197	2,912	2,019	2,616	233	390	7	21
Other P/E TD	7	(868)	(330)	(222)	(80)	(26)	(40)	(38)	(123)
Office Furniture & Equip	15	(14,063)	(7,230)	(2,834)	(2,488)	(323)	(435)	(146)	(606)
Comp & Periph Equip	15	71,180	36,594	14,343	12,599	1,637	2,199	740	3,068
Computer Software	15	283,126	145,555	57,050	50,113	6,512	8,749	2,945	12,203
Comp Software Personal	15	(370,321)	(190,382)	(74,620)	(65,547)	(8,517)	(11,443)	(3,851)	(15,961)
Data Handling Equipment	15	5,374	2,763	1,083	951	124	166	56	232
Other Office Equipment	15	4,112	2,114	829	728	95	127	43	177
	15	19,950	10,256	4,020	3,531	459	616	207	860

Schedule C-JOP

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Trans Equip Lt Duty Trks	15	(159,902)	(82,206)	(32,220)	(28,303)	(3,678)	(4,941)	(1,663)	(6,892)
Trans Equip Hvy Duty Trks	15	6,492	3,338	1,308	1,149	149	201	68	280
Trans Equip Autos	15	(13,134)	(6,752)	(2,647)	(2,325)	(302)	(406)	(137)	(566)
Trans Equip Other	15	56,310	28,949	11,346	9,967	1,295	1,740	586	2,427
Stores Equipment	15	(1,321)	(988)	(387)	(340)	(44)	(59)	(20)	(83)
Tools, Shop, Garage Equip	15	262,656	135,032	52,925	46,490	6,041	8,116	2,732	11,320
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	81,907	29,093	20,174	26,137	2,326	3,899	66	213
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	24,182	12,432	4,873	4,280	556	747	251	1,042
Comm Equip Non-Telephone	15	35,643	18,324	7,182	6,309	820	1,101	371	1,536
Comm Equip Telephone	15	(34,386)	(17,878)	(6,929)	(6,086)	(791)	(1,083)	(358)	(1,482)
Misc Equipment	15	30,628	15,746	6,172	5,421	704	946	319	1,320
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant In Service		46,463,933	20,132,429	10,215,883	9,354,157	1,189,080	1,734,122	1,065,575	2,772,886
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	170,000	87,397	34,255	30,090	3,910	5,253	1,768	7,327
Materials and Supplies	15	373,838	192,242	75,349	66,187	8,601	11,555	3,889	16,117
Prepayments	15	35,333	18,165	7,120	6,254	813	1,092	367	1,523
OP&B's Contributed to External Fund	16	216,464	111,630	43,834	36,083	5,195	6,667	2,056	11,018
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	224,384	97,226	49,342	45,168	5,744	8,370	5,138	13,396
Less:									
Accumulated Amortization	15	(71,296)	(36,653)	(14,366)	(12,619)	(1,640)	(2,203)	(741)	(3,073)
Accumulated Deferred ITC (3%)	17	(9,438)	(4,089)	(2,075)	(1,900)	(242)	(352)	(216)	(563)
Deferred Income Taxes	17	(3,992,787)	(1,730,075)	(878,014)	(803,748)	(102,215)	(148,931)	(91,435)	(238,369)
Pensions	16	(677,728)	(349,504)	(137,240)	(112,909)	(16,265)	(20,874)	(6,438)	(34,496)
Total Other Rate Base Elements		(3,731,130)	(1,613,662)	(821,796)	(747,414)	(96,100)	(139,424)	(85,612)	(227,122)
Total Original Cost Measure of Value		\$ 42,732,803	\$ 18,518,767	\$ 9,393,887	\$ 8,606,742	\$ 1,092,981	\$ 1,594,698	\$ 979,963	\$ 2,545,765

MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2005

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	9.656	14.110	1.46	8/29/1990
1991	9.954	16.140	1.62	7/22/1991
1992	9.610	14.828	1.54	6/30/1992
1993	9.947	12.940	1.30	8/23/1993
1994	10.586	15.120	1.43	7/6/1994
1995	10.895	16.800	1.55	8/30/1995
1996	11.063	15.440	1.40	6/26/1996
1997	10.681	14.900	1.40	7/31/1997
1998	10.902	15.760	1.45	9/4/1998
1999	10.993	18.452	1.68	7/30/1999
2000	11.334	18.747	1.65	8/29/2000
2001	10.862	16.432	1.51	7/20/2001
2002	11.694	18.552	1.59	8/2/2002
2003	11.217	17.360	1.55	8/18/2003
2004	11.673	19.768	1.69	8/23/2004
2005	12.632	19.322	1.53	7/23/2005

**MISSOURI-AMERICAN WATER COMPANY
JOPLIN DISTRICT**

**BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS**

<u>Description</u> (1)	<u>Restrictive Diameters Squared</u> (2)	<u>Quantity</u> (3)	<u>Relative Demand</u> (4)=(2)x(3)	<u>Allocation Factor</u> (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	8	32	
3 -inch	9.00	0	0	
4 -inch	16.00	49	784	
6 -inch	36.00	190	6,840	
8 -inch	64.00	117	7,488	
10 -inch	100.00	7	700	
12 -inch	144.00	4	576	
Private Hydrants	32.75	5	164	
Total Private Fire Protection		380	16,584	0.2366
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
6" Valve	2- 2-1/2" & 1- 4.5"	32.75	1,634	53,514
6" Valve	2- 2-1/2" & 1- 4"	28.50	0	0
Total Public Fire Protection		1,634	53,514	0.7634
Total Fire Protection		2,014	70,098	1.0000

MEXICO DISTRICT

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED JUNE 30, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 1,975,601	52.1%	\$ 1,223,689	48.9%	\$ 1,532,696	48.9%	\$ 309,007	25.3%
Commercial	510,593	13.5%	330,756	13.2%	414,246	13.2%	83,490	25.2%
Industrial	524,480	13.9%	372,292	14.9%	466,258	14.9%	93,966	25.2%
Public Authority	287,329	7.6%	185,910	7.4%	232,833	7.4%	46,923	25.2%
Sales for Resale	427,864	11.3%	289,296	11.5%	362,308	11.5%	73,012	25.2%
Private Fire Service	58,661	1.6%	102,835	4.1%	128,793	4.1%	25,958	25.2%
Public Fire Service	-	0.0%	\$0	0.0%	\$0	0.0%	-	0.0%
Total Sales	3,784,528	100.0%	2,504,778	100.0%	3,137,134	100.0%	632,356	25.2%
Other Revenues	47,986		47,986		47,986		-	0.0%
Total	\$ 3,832,513		\$ 2,552,764		\$ 3,185,120		\$ 632,356	24.8%

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor & Exp Oper SS	2	54,487	21,571	8,211	10,342	5,242	8,881	65	174
Labor & Exp Oper SS	2	1,842	729	278	350	177	300	2	6
Purchased Water	1	0	0	0	0	0	0	0	0
TOTAL SS EXPENSE - OPERATION		56,329	22,301	8,489	10,691	5,419	9,182	68	180
Misc Exp Oper SS	2	150,415	59,549	22,668	28,549	14,470	24,518	180	481
Rents Oper SS	2	311	123	47	59	30	51	0	1
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	189	75	28	36	18	31	0	1
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infillt Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Infillt Gall & Tunnels Maint SS	2	4,600	1,821	693	873	443	750	6	15
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	2	1	0	0	0	0	0	0
Misc Plant Maint SS	2	22,872	9,055	3,447	4,341	2,200	3,728	27	73
TOTAL SS EXPENSE - MAINTENANCE		178,388	70,624	26,883	33,858	17,161	29,077	214	571
TOTAL SS EXPENSE		234,717	92,924	35,372	44,549	22,580	38,259	282	751
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(6)	(2)	(1)	(1)	(1)	(1)	(0)	(0)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	61,382	22,380	9,152	12,945	5,844	10,680	104	276
Labor & Exp Oper Pump	6	14	6	2	3	1	2	0	0
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	197	78	30	37	19	32	0	1
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		61,588	22,461	9,183	12,984	5,863	10,714	105	277

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	698	277	105	133	67	114	1	2
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	464	184	70	88	45	76	1	1
Pump Equip Maint P	6	1,133	449	171	215	109	185	1	4
TOTAL PUMPING EXPENSES - MAINTENANCE		2,295	909	346	436	221	374	3	7
TOTAL PUMPING EXPENSES		63,883	23,370	9,529	13,420	6,084	11,088	107	284
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	64,439	23,494	9,608	13,590	6,135	11,212	110	290
Labor & Exp Oper WT	2	10,139	4,014	1,528	1,924	975	1,653	12	32
Labor & Exp Oper WT	2	6,145	2,433	926	1,166	591	1,002	7	20
Misc Exp Oper WT	2	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Misc Exp Oper WT	1	30,021	10,946	4,476	6,331	2,858	5,224	51	135
Misc Exp Oper WT	2	2,567	1,016	387	487	247	418	3	8
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		113,310	41,903	16,925	23,499	10,806	19,509	183	485
Super & Eng Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	15,246	6,036	2,298	2,894	1,467	2,485	18	49
TOTAL WT EXPENSE - MAINTENANCE		15,246	6,036	2,298	2,894	1,467	2,485	18	49
TOTAL WT EXPENSE		128,556	47,939	19,222	26,393	12,273	21,994	201	534
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	501	175	64	68	40	63	23	68
TD Lines Exp	7	70,987	20,217	7,376	7,993	4,685	7,347	5,892	17,477
TD Lines Exp	7	2,362	673	245	266	156	244	196	582
Meter Expense	9	0	0	0	0	0	0	0	0
Meter Expense	9	(5)	(4)	(1)	(0)	(0)	(0)	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	242	212	22	1	5	0	2	0
Misc Exp Oper TD	11	143	41	15	16	9	15	12	35
Misc Exp Oper TD	11	183	53	19	21	12	19	15	45

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Misc Exp Oper TD	11	5,031	1,444	523	566	332	520	415	1,231
Rents Oper TD	11	220	63	23	25	15	23	18	54
M&S Maint TD Hydrants	8	189	0	0	0	0	0	0	189
TOTAL T & D EXPENSE OPERATION		79,853	22,874	8,286	8,955	5,254	8,231	6,573	19,680
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	21,625	13,768	1,881	759	683	642	586	3,304
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	0	0	0	0	0	0	0	0
TD Main Maint TD	7	2,383	679	248	288	157	247	198	587
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	5,415	4,742	491	28	110	8	35	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	71	52	9	5	4	1	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	726	0	0	0	0	0	0	726
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	185	118	16	6	6	5	5	28
Mat and Sup Maint TD	12	86,538	55,162	7,537	3,041	2,738	2,573	2,348	13,238
Misc Maint TD	12	443	282	39	16	14	13	12	68
Amort Def Maint TD	5	(110,346)	(38,456)	(13,992)	(15,007)	(8,894)	(13,882)	(5,076)	(15,040)
TOTAL T & D EXPENSE - MAINTENANCE		7,139	36,348	(3,771)	(10,884)	(5,182)	(10,392)	(1,892)	2,911
TOTAL T & D EXPENSE		86,992	59,222	4,515	(1,929)	73	(2,181)	4,681	22,592
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	31,105	27,490	2,815	146	616	37	0	0
Meter Reading Exp CA	14	(15)	(13)	(1)	(0)	(0)	(0)	0	0
Meter Reading Exp CA	14	(25)	(22)	(2)	(0)	(1)	(0)	0	0
Cust Rec & Collection CA	13	11,534	10,112	1,035	55	227	14	191	0
Cust Rec & Collection CA	13	20,355	17,693	1,812	96	397	24	334	0
Uncollectible Accts	13	28,630	24,885	2,548	135	558	34	470	0
Misc Cust Accts Exp CA	13	39	34	3	0	1	0	1	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	6,901	5,999	614	32	135	8	113	0
Cust Serv & Info Exp CA	13	(18)	(16)	(2)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		98,606	86,162	8,823	463	1,932	118	1,108	0

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	69,625	38,524	8,265	7,624	4,282	6,426	933	3,572
Other Supplies & Exp AG	15	3,181	1,760	378	348	196	294	43	163
Other Supplies & Exp AG	15	20,980	11,608	2,490	2,297	1,290	1,936	281	1,076
Other Supplies & Exp AG	15	14,420	7,979	1,712	1,579	887	1,331	193	740
Mgmt Fees-Corporate/Shared Service Center	15	192,655	106,596	22,868	21,096	11,848	17,782	2,582	9,883
Mgmt Fees-Call Center	13	7,060	6,137	628	33	138	8	116	0
Mgmt Fees-Belleville Lab	2	8,866	3,518	1,339	1,687	855	1,448	11	28
Mgmt Fees- Financial ITS	15	67,141	37,149	7,970	7,352	4,129	6,197	900	3,444
Mgmt Fees- Customer Billings ITS	13	(2)	(2)	(0)	(0)	(0)	(0)	(0)	0
Mgmt Fees-Other ITS	15	871	482	103	95	54	80	12	45
Outside Services AG	15	7,513	4,157	892	823	462	693	101	385
Outside Services AG	15	142,016	78,577	16,857	15,551	8,734	13,108	1,903	7,285
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	30,958	17,129	3,675	3,390	1,904	2,857	415	1,588
Ins Work Comp AG	16	10,934	5,565	1,254	1,148	668	994	305	989
Ins Other Oper AG	15	11,811	6,535	1,402	1,293	726	1,090	158	606
Property Insurance	15	1,292	715	153	141	79	119	17	66
Injuries & Damages	16	53	27	6	6	3	5	1	5
Employee Pension & Benefits	16	94,081	47,887	10,791	9,879	5,748	8,552	2,625	8,599
Employee Pension & Benefits	16	29,966	15,252	3,437	3,146	1,831	2,724	836	2,739
Employee Pension & Benefits	16	6,258	3,186	718	657	382	569	175	572
Reg Commission Exp	15	3,225	1,785	383	353	198	298	43	165
Rents AG	15	6,884	3,809	817	754	423	635	92	353
Goodwill Advertising Exp	15	528	292	63	58	32	49	7	27
Misc Exp AG	15	51,997	28,770	6,172	5,694	3,198	4,799	697	2,867
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		782,332	427,436	92,372	85,003	48,069	71,997	12,445	45,010
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	3,362	1,860	399	368	207	310	45	172
TOTAL A & G EXPENSE - MAINTENANCE		3,362	1,860	399	368	207	310	45	172
TOTAL A & G EXPENSE		785,693	429,296	92,771	85,371	48,276	72,307	12,490	45,182
Total Operation & Maintenance Expenses		1,398,447	738,913	170,232	168,269	91,217	141,605	18,869	69,344

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	1,576	524	238	299	152	257	2	5
Struct & Imp P	6	2,189	867	330	415	211	357	3	7
Struct & Imp WT	2	82,603	36,662	13,955	17,576	8,908	15,094	111	296
Struct & Imp TD	7	1,476	420	153	166	97	153	123	363
Struct & Imp Offices	15	3,218	1,781	382	352	198	297	43	165
Struct & Imp Store, Shop, Gar	15	1,371	759	163	150	84	127	18	70
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	3	1	0	1	0	1	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	18,132	7,178	2,732	3,441	1,744	2,956	22	58
Supply Mains	2	13,933	5,516	2,100	2,644	1,340	2,271	17	45
Power Generation Equip Other	6	130	51	20	25	13	21	0	0
Pump Equip Electric	6	14,390	5,897	2,169	2,731	1,384	2,346	17	46
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	377	149	57	72	36	61	0	1
WT Equip Non-Media	2	52,814	20,909	7,959	10,024	5,081	8,609	63	169
WT Equip Filter Media	2	2,144	849	323	407	206	349	3	7
Dist Reservoirs & Standpipe	5	6,734	2,347	854	916	543	847	310	918
Elevated Tanks & Standpipes	5	861	300	109	117	69	108	40	117
Ground Level Facilities	5	432	151	55	59	35	54	20	59
TD Mains Not Classified by	4	48,170	13,536	4,923	5,279	3,131	4,890	4,138	12,283
TD Mains 4 & Less	4	2,360	663	241	259	153	239	203	602
TD Mains 6 to 8"	4	11,409	3,206	1,166	1,250	742	1,166	980	2,909
TD Mains 10 to 16"	3	7,740	2,867	1,100	1,385	702	1,189	121	357
TD Mains 18 & Gtr	3	0	0	0	0	0	0	0	0
Fire Mains	8	434	0	0	0	0	0	0	434
Services	10	27,727	24,283	2,515	144	566	39	180	0
Meters Bronze Case	9	9,004	6,850	1,123	632	469	130	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	2,086	1,541	260	146	109	30	0	0
Meters Other-Rem Rdr Unts	9	0	0	0	0	0	0	0	0
Meter Installations	9	18,922	13,976	2,360	1,328	986	272	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	5,687	0	0	0	0	0	0	5,687
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	427	169	64	81	41	70	1	1
Other P/E TD	7	239	68	25	27	16	25	20	59
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	1,640	907	195	180	101	151	22	84
Comp & Periph Equip	15	10,121	5,600	1,201	1,108	622	934	136	519
Computer Software	15	22,466	12,430	2,667	2,460	1,382	2,074	301	1,153

Schedule B-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Comp Software Personal	15	206	114	24	23	13	19	3	11
Data Handling Equipment	15	985	545	117	108	61	91	13	51
Other Office Equipment	15	10	8	1	1	1	1	0	1
Trans Equip Lt Duty Trks	15	1,337	740	159	146	82	123	18	69
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	2,255	1,248	268	247	139	208	30	116
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	832	460	99	91	51	77	11	43
Tools Shop Garage Equip	15	3,924	2,171	466	430	241	362	53	201
Tools Shop Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	1,001	396	151	190	96	163	1	3
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	502	278	60	55	31	45	7	26
Comm Equip Non-Telephone	15	1,160	642	138	127	71	107	16	60
Comm Equip Telephone	15	190	105	23	21	12	18	3	10
Misc Equipment	15	756	418	90	83	46	70	10	39
Total Depreciation Expense		393,973	177,300	51,032	55,197	29,965	46,381	7,056	27,043
Amort-Other UP	18	464	208	61	67	36	56	8	29
Taxes Other Than Income									
Utility Reg Assessment Fee	19	13,723	6,562	1,751	1,846	1,000	1,552	213	799
Property Taxes	18	150,997	67,707	19,841	21,683	11,732	18,225	2,461	9,347
FUTA	16	395	201	45	41	24	36	11	36
FICA	16	21,373	10,878	2,452	2,244	1,306	1,943	596	1,954
SUTA	16	268	137	31	28	16	24	7	25
Other Taxes & Licenses	15	6,076	3,362	721	665	374	561	81	312
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		192,632	88,848	24,841	26,508	14,453	22,341	3,370	12,471
Income Taxes	18	591,672	265,306	77,746	84,964	45,973	71,415	9,644	36,624
Utility Income Available for Return	18	1,255,125	562,798	164,923	180,236	97,523	151,494	20,459	77,692
Total Cost of Service		3,832,513	1,833,372	488,834	515,241	278,167	433,291	59,405	223,203
Less: Other Water Revenues	19	47,986	22,947	6,123	6,454	3,498	5,427	744	2,793
Revenue Contribution	19	0	0	0	0	0	0	0	0
Total Other Water Revenues		47,986	22,947	6,123	6,454	3,498	5,427	744	2,793
Total Cost of Service Related to Sales of Water		\$ 3,784,528	\$ 1,810,426	\$ 482,711	\$ 508,787	\$ 275,669	\$ 427,864	\$ 58,661	\$ 220,410
Reallocation of Public Fire	20	0	165,175	27,882	15,693	11,660	0	0	(220,410)
Total		\$ 3,784,528	\$ 1,975,601	\$ 510,593	\$ 524,480	\$ 287,329	\$ 427,864	\$ 58,661	\$ -

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	643	0.3646
Commercial	263	0.1491
Industrial	372	0.2109
Other Public Authority	168	0.0952
Sales for Resale	307	0.1740
Private Fire Protection	3	0.0017
Public Fire Protection	8	0.0045
Total	1,764	1.0000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.7143	(4)	(5)=(4)x 0.2857	(6)=(3)+(5)
Residential	0.3646	0.2605	0.4738	0.1354	0.3959
Commercial	0.1491	0.1065	0.1548	0.0442	0.1507
Industrial	0.2109	0.1506	0.1371	0.0392	0.1898
Other Public Authority	0.0952	0.0680	0.0987	0.0282	0.0962
Sales for Resale	0.1740	0.1243	0.1356	0.0387	0.1630
Private Fire Protection	0.0017	0.0012			0.0012
Public Fire Protection	0.0045	0.0032			0.0032
Total	1.0000	0.7143	1.0000	0.2857	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

**FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.**

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	643	1.0	643	0.4738
Commercial	263	0.8	210	0.1548
Industrial	372	0.5	186	0.1371
Other Public Authority	168	0.8	134	0.0987
Sales for Resale	307	0.6	184	0.1356
Total	<u>1,753</u>		<u>1,357</u>	<u>1.0000</u>

The weighting of the factors is based on the maximum day ratio of 1.40, based on a review of maximum day ratios experienced during the period 1990 through 2005 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.7143
Maximum Day Extra Capacity	<u>0.40</u>	<u>0.2857</u>
Total	<u>1.40</u>	<u>1.0000</u>

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection		Allocation Factor (8)=(3)+(5)+(7)
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.6731	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.2693	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0576	
Residential	0.3646	0.2454	0.4738	0.1276			0.3730
Commercial	0.1491	0.1004	0.1548	0.0417			0.1421
Industrial	0.2109	0.1420	0.1371	0.0369			0.1789
Other Public Authority	0.0952	0.0641	0.0987	0.0266			0.0907
Sales for Resale	0.1740	0.1171	0.1356	0.0365			0.1536
Private Fire Protection	0.0017	0.0011			0.2520	0.0145	0.0156
Public Fire Protection	0.0045	0.0030			0.7480	0.0431	0.0461
Total	1.0000	0.6731	1.0000	0.2693	1.0000	0.0576	1.0000

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 1.40 and the average daily system sendout for 2005 of 2.105 MGD. The system demand for fire protection is 1,500 Gallons per minute for 2 hours.

	<u>Ratio</u>	<u>Rate of Flow, (GPD)</u>	<u>Weight</u>
Average Day	1.00	2,105,000	0.6731
Maximum Day Extra Capacity	<u>0.40</u>	<u>842,000</u>	<u>0.2693</u>
Subtotal	<u>1.40</u>	2,947,000	0.9424
Fire Protection		<u>180,000</u>	<u>0.0576</u>
Total		<u>3,127,000</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.3305	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.3305	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.3390	Allocation Factor (9)=(4)+(6)+(8)	
Residential	26.8	0.3646	0.1204	0.4857	0.1606			0.2810	
Commercial	11.0	0.1497	0.0495	0.1595	0.0527			0.1022	
Industrial	15.5	0.2109	0.0697	0.1207	0.0399			0.1096	
Other Public Authority	7.0	0.0952	0.0315	0.1015	0.0335			0.0650	
Sales for Resale	12.8	0.1741	0.0575	0.1326	0.0438			0.1013	
Private Fire Protection	0.1	0.0014	0.0005			0.2520	0.0854	0.0859	
Public Fire Protection	0.3	0.0041	0.0014			0.7480	0.2536	0.2550	
Total	73.5	1.0000	0.3305	1.0000	0.3305	1.0000	0.3390	1.0000	

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

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

**FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 2.0 and the average daily system sendout for 2005 of 2.105 MGD. The system demand for fire protection is 1,500 gallons per minute.

	Ratio	Rate of Flow, (GPM)	Weight
Average Hour	1.00	1,462	0.3305
Maximum Hour Extra Capacity	1.00	1,462	0.3305
Subtotal	2.00	2,924	0.6610
Fire Protection		1,500	0.3390
Total		4,424	1.0000

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

Customer Classification	Average Hourly Consumption Thousand Gal.	Maximum Hour Extra Capacity		
		Factor*	1,000 Gallons Per Hour	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	26.8	3.5	93.8	0.4857
Commercial	11.0	2.8	30.8	0.1595
Industrial	15.5	1.5	23.3	0.1207
Other Public Authority	7.0	2.8	19.6	0.1015
Sales for Resale	12.8	2.0	25.6	0.1326
Total	73.1		193.1	1.0000

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

FACTOR 5. ALLOCATION OF COSTS ASSOCIATED WITH STORAGE FACILITIES.

Factors are based on the weighting of the average hourly consumption, the maximum hour extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		Allocation Factor (9)=(4)+(6)+(8)
	Thousand Gallons (2)	Allocation Factor (3)	Weighted Factor (4)=(3) X 0.4100	Allocation Factor (5)	Weighted Factor (6)=(5) X 0.4100	Allocation Factor (7)	Weighted Factor (8)=(7) X 0.1800		
Residential	26.8	0.3646	0.1494	0.4857	0.1991				0.3485
Commercial	11.0	0.1497	0.0614	0.1595	0.0654				0.1268
Industrial	15.5	0.2109	0.0865	0.1207	0.0495				0.1360
Other Public Authority	7.0	0.0952	0.0390	0.1015	0.0416				0.0806
Sales for Resale	12.8	0.1741	0.0714	0.1326	0.0544				0.1258
Private Fire Protection	0.1	0.0014	0.0006			0.2520	0.0454		0.0460
Public Fire Protection	0.3	0.0041	0.0017			0.7480	0.1346		0.1363
Total	73.5	1.0000	0.4100	1.0000	0.4100	1.0000	0.1800		1.0000

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

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

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

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

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

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

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

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

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

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

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

Customer Classification	Maximum Daily Consumption		Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 2	Weighted Factor	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 1.0000	(4)	(5)=(4)X 0.0000	(6)	(7)=(6)X 0.0000	(8)=(3)+ (5)+(7)
Residential	0.3959	0.3959	0.3730	0.0000	0.2810	0.0000	0.3959
Commercial	0.1507	0.1507	0.1421	0.0000	0.1022	0.0000	0.1507
Industrial	0.1898	0.1898	0.1789	0.0000	0.1096	0.0000	0.1898
Other Public Authority	0.0962	0.0962	0.0907	0.0000	0.0650	0.0000	0.0962
Sales for Resale	0.1630	0.1630	0.1536	0.0000	0.1013	0.0000	0.1630
Private Fire Protection	0.0012	0.0012	0.0156	0.0000	0.0859	0.0000	0.0012
Public Fire Protection	0.0032	0.0032	0.0461	0.0000	0.2550	0.0000	0.0032
Total	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>0.0000</u>	<u>1.0000</u>	<u>0.0000</u>	<u>1.0000</u>

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

	Horsepower of Pumps	Weight
Associated with Maximum Day	1,415	1.0000
Associated with Maximum Day and Fire	0	0.0000
Associated with Maximum Hour	0	0.0000
Total	<u>1,415</u>	<u>1.0000</u>

Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

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

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

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

Customer Classification	Maximum Daily Consumption w/ Fire		Maximum Hourly Consumption		Allocation Factor
	Allocation Factor 3	Weighted Factor	Allocation Factor 4	Weighted Factor	
(1)	(2)	(3)=(2)X 0.0424	(4)	(5)=(4)X 0.9576	(6)=(3)+(5)
Residential	0.3730	0.0158	0.2810	0.2690	0.2848
Commercial	0.1421	0.0060	0.1022	0.0979	0.1039
Industrial	0.1789	0.0076	0.1096	0.1050	0.1126
Other Public Authority	0.0907	0.0038	0.0650	0.0622	0.0660
Sales for Resale	0.1536	0.0065	0.1013	0.0970	0.1035
Private Fire Protection	0.0156	0.0007	0.0859	0.0823	0.0830
Public Fire Protection	0.0461	0.0020	0.2550	0.2442	0.2462
Total	<u>1.0000</u>	<u>0.0424</u>	<u>1.0000</u>	<u>0.9576</u>	<u>1.0000</u>

The weighting of the factors is based on the total footage of mains, designated as either transmission mains or distribution mains, as follows:

	Total Footage of Mains	Weight
Transmission Mains	19,696	0.0424
Distribution Mains	<u>444,684</u>	<u>0.9576</u>
Total	<u>464,380</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 8. ALLOCATION OF COSTS ASSOCIATED WITH FIRE HYDRANTS.

Costs are assigned directly to Public Fire Protection.

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

FACTOR 9. ALLOCATION OF COSTS ASSOCIATED WITH METERS.

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

<u>Customer Classification</u> (1)	<u>5/8" Dollar Equivalents</u> (2)	<u>Allocation Factor</u> (3)
Residential	4,306	0.7386
Commercial	727	0.1247
Industrial	409	0.0702
Other Public Authority	304	0.0521
Sales for Resale	84	0.0144
Private Fire	<u>0</u>	<u>0.0000</u>
Total	<u>5,830</u>	<u>1.0000</u>

Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS

Meter Size (1)	5/8" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Total	
		Number of Meters (3)	Weighting (4)=(2)X(3)	Number of Meters (5)	Weighting (6)=(2)X(5)	Number of Meters (7)	Weighting (8)=(2)X(7)	Number of Meters (9)	Weighting (10)=(2)X(9)	Number of Meters (11)	Weighting (12)=(2)X(11)	Number of Meters (13)	Weighting (14)
5/8	1.0	4,268	4,268	309	309	1	1	34	34	0	0	4,812	4,812
3/4	1.3	2	3	5	7	0	0	2	3	0	0	9	13
1	1.7	15	26	77	131	5	9	19	32	0	0	116	198
1-1/2	3.5	0	0	0	0	0	0	1	4	0	0	1	4
2	4.3	2	9	45	194	5	22	36	155	4	17	82	397
3	19.0	0	0	2	38	5	95	4	78	1	19	12	228
4	28.3	0	0	0	0	3	88	0	0	0	0	3	88
6	48.4	0	0	1	48	4	194	0	0	1	48	6	290
8	112.9	0	0	0	0	0	0	0	0	0	0	0	0
Total		4,287	4,308	439	727	23	409	98	304	8	84	4,851	5,830

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 10. ALLOCATION OF COSTS ASSOCIATED WITH SERVICES.

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

Customer Classification	3/4" Dollar Equivalents	Allocation Factor
(1)	(2)	(3)
Residential	56,422	0.8758
Commercial	5,843	0.0907
Industrial	337	0.0052
Other Public Authority	1,311	0.0204
Sales for Resale	88	0.0014
Private Fire Protection	420	0.0065
Total	64,421	1.0000

MISSOURI-AMERICAN WATER COMPANY
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BASIS FOR ALLOCATING SERVICE COSTS TO CUSTOMER CLASSIFICATIONS

Service Size (1)	3/4" Dollar Equivalent (2)	Residential		Commercial		Industrial		Other Public Authority		Sales for Resale		Private Fire Protection		Total	
		Number of Services (3)	Weighting (4)=(2)X(3)	Number of Services (5)	Weighting (6)=(2)X(5)	Number of Services (7)	Weighting (8)=(2)X(7)	Number of Services (9)	Weighting (10)=(2)X(9)	Number of Services (11)	Weighting (12)=(2)X(11)	Number of Services (13)	Weighting (14)=(2)X(13)	Number of Services (15)	Weighting (16)
3/4	1.00	4,270	4,270	314	314	1	1	36	36	0	0	0	0	4,621	4,621
1	1.17	15	18	77	90	5	6	19	22	0	0	0	0	116	136
1-1/2	1.58	0	0	0	0	0	0	1	2	0	0	0	0	1	2
2	2.04	2	4	45	92	5	10	36	73	4	8	3	6	85	183
3	2.73	0	0	2	5	5	14	4	11	1	3	1	3	13	36
4	2.88	0	0	0	0	3	8	0	0	0	0	12	35	15	44
6	4.24	0	0	1	4	4	17	0	0	1	4	24	102	30	127
8	6.88	0	0	0	0	0	0	0	0	0	0	16	112	16	112
10	9.50	0	0	0	0	0	0	0	0	0	0	17	162	17	162
12	12.16	4,287	52,130	439	5,338	23	280	98	1,167	8	73	0	0	4,851	58,988
Total		8,574	56,422	878	5,843	46	337	192	1,311	12	88	73	420	9,775	64,421

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

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

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

Customer Classification	Transmission & Distribution Operating Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 21,273	0.2871
Commercial	7,706	0.1040
Industrial	8,328	0.1124
Other Public Authority	4,886	0.0660
Sales for Resale	7,655	0.1033
Private Fire Protection	6,113	0.0825
Public Fire Protection	18,127	0.2447
Total	74,087	1.0000

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

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

Customer Classification	Transmission & Distribution Maintenance Expenses	Allocation Factor
(1)	(2)	(3)
Residential	\$ 5,474	0.6367
Commercial	748	0.0870
Industrial	301	0.0351
Other Public Authority	271	0.0316
Sales for Resale	255	0.0297
Private Fire Protection	233	0.0271
Public Fire Protection	1,313	0.1528
Total	\$8,595	1.0000

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 13. ALLOCATION OF BILLING AND COLLECTING COSTS.

Factors are based on the total number of customers.

<u>Customer Classification</u>	<u>Total Customers</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Residential	4,287	0.8692
Commercial	439	0.0890
Industrial	23	0.0047
Other Public Authority	96	0.0195
Sales for Resale	6	0.0012
Private Fire Protection	81	0.0164
Public Fire Protection	0	0.0000
Total	4,932	1.0000

FACTOR 14. ALLOCATION OF METER READING COSTS.

Factors are based on the number of metered customers.

<u>Customer Classification</u>	<u>Total Metered Customers</u>	<u>Allocation Factor</u>
(1)	(2)	(3)
Residential	4,287	0.8838
Commercial	439	0.0905
Industrial	23	0.0047
Other Public Authority	96	0.0198
Sales for Resale	6	0.0012
Total	4,851	1.0000

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

**FACTOR 15. ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSES AND CASH
WORKING CAPITAL.**

Factors are based on the allocation of all other operation and maintenance expenses excluding purchased water, power, chemicals and waste disposal.

Customer Classification <u>(1)</u>	Operation & Maintenance Expenses <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$252,797	0.5533
Commercial	54,224	0.1187
Industrial	50,030	0.1095
Other Public Authority	28,105	0.0615
Sales for Resale	42,181	0.0923
Private Fire Protection	6,114	0.0134
Public Fire Protection	<u>23,460</u>	<u>0.0513</u>
Total	<u><u>\$456,912</u></u>	<u><u>1.0000</u></u>

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 16. ALLOCATION OF LABOR RELATED TAXES AND BENEFITS.

Factors are based on the allocation of direct labor expense.

Customer Classification <u>(1)</u>	Direct Labor Expense <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$141,149	0.5090
Commercial	31,822	0.1147
Industrial	29,121	0.1050
Other Public Authority	16,953	0.0611
Sales for Resale	25,221	0.0909
Private Fire Protection	7,733	0.0279
Public Fire Protection	25,353	0.0914
Total	<u>\$277,353</u>	<u>1.0000</u>

**FACTOR 17. ALLOCATION OF ORGANIZATION, FRANCHISES AND CONSENTS,
MISCELLANEOUS INTANGIBLE PLANT AND OTHER RATE BASE ELEMENTS.**

Factors are based on the allocation of the original cost less depreciation other than those items being allocated, as follows:

Customer Classification <u>(1)</u>	Original Cost Less Depreciation <u>(2)</u>	Allocation Factor <u>(3)</u>
Residential	\$7,109,945	0.4485
Commercial	2,082,230	0.1314
Industrial	2,273,947	0.1434
Other Public Authority	1,229,817	0.0776
Sales for Resale	1,911,033	0.1206
Private Fire Protection	260,266	0.0164
Public Fire Protection	985,028	0.0621
Total	<u>\$15,852,267</u>	<u>1.0000</u>

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

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

FACTOR 18. ALLOCATION OF INCOME TAXES AND INCOME AVAILABLE FOR RETURN.

Factors are based on the allocation of the original cost measure of value rate base as shown on the following pages and summarized below.

Customer Classification	Original Cost Measure of Value	Allocation Factor
(1)	(2)	(3)
Residential	\$6,604,155	0.4484
Commercial	1,936,244	0.1314
Industrial	2,116,055	0.1436
Other Public Authority	1,144,020	0.0777
Sales for Resale	1,778,001	0.1207
Private Fire Protection	240,703	0.0163
Public Fire Protection	912,335	0.0619
Total	<u>\$14,731,514</u>	<u>1.0000</u>

FACTOR 19. ALLOCATION OF REGULATORY COMMISSION EXPENSES, ASSESSMENTS AND OTHER WATER REVENUES.

The factors are based on the allocation of the total cost of service, excluding those items being allocated.

Customer Classification	Total Cost of Service	Allocation Factor
(1)	(2)	(3)
Residential	\$1,826,007	0.4782
Commercial	487,074	0.1276
Industrial	513,512	0.1345
Other Public Authority	278,207	0.0729
Sales for Resale	431,845	0.1131
Private Fire Protection	59,152	0.0155
Public Fire Protection	222,247	0.0582
Total	<u>\$3,818,044</u>	<u>1.0000</u>

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
RATE BASE									
Organization	17	\$ 1,935	\$ 868	\$ 254	\$ 277	\$ 150	\$ 233	\$ 32	\$ 120
Franchises	17	0	0	0	0	0	0	0	0
Land & Ld Rights SS	2	25,516	10,102	3,845	4,843	2,455	4,159	31	82
Land & Ld Rights P	6	58,808	23,282	8,862	11,162	5,657	9,586	71	188
Land & Ld Rights WT	2	13,920	5,511	2,098	2,642	1,339	2,269	17	45
Land & Ld Rights TD	7	13,336	3,798	1,386	1,502	880	1,380	1,107	3,283
Land & Land Rights AG	15	2,057	1,138	244	225	127	190	28	106
Struct & Imp SS	2	40,480	16,026	6,100	7,683	3,894	6,598	49	130
Struct & Imp P	6	48,545	19,219	7,316	9,214	4,670	7,913	58	155
Struct & Imp Pumps (STL)	6	0	0	0	0	0	0	0	0
Struct & Imp Pump Boosters	6	0	0	0	0	0	0	0	0
Struct & Imp WT	2	4,625,223	1,831,126	697,021	877,867	444,946	753,911	5,550	14,801
Struct & Imp WT Nth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Cntl Pit 1	2	0	0	0	0	0	0	0	0
Struct & Imp WT Cntl Pit 3	2	0	0	0	0	0	0	0	0
Struct & Imp WT Sth Pit (ST	2	0	0	0	0	0	0	0	0
Struct & Imp WT Meramec (ST	2	0	0	0	0	0	0	0	0
Struct & Imp TD	7	60,590	17,256	6,285	6,822	3,999	6,271	5,029	14,917
Struct & Imp TD Spec Cross	7	0	0	0	0	0	0	0	0
Struct & Imp Offices	15	94,868	52,490	11,261	10,388	5,834	8,756	1,271	4,867
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Leasehold	15	0	0	0	0	0	0	0	0
Struct & Imp Store,Shop,Gar	15	21,918	12,127	2,602	2,400	1,348	2,023	294	1,124
Struct & Imp Misc	15	0	0	0	0	0	0	0	0
Collect & Impounding	1	42	15	6	9	4	7	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	639,344	253,116	96,349	121,347	61,505	104,213	767	2,046
Supply Mains	2	698,681	276,608	105,291	132,610	67,213	113,885	838	2,236
Supply Mains Nth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Cntl Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Sth Pit (STL)	2	0	0	0	0	0	0	0	0
Supply Mains Meramec Pit (S	2	0	0	0	0	0	0	0	0
Power Generation Equip Othe	6	5,188	2,054	782	985	499	846	6	17
Boiler Plant Equipment P	6	0	0	0	0	0	0	0	0
Pump Equip Steam	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	839,198	332,238	126,467	159,280	80,731	136,789	1,007	2,585
Pump Equip Elec Pre46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Post46 (STL)	6	0	0	0	0	0	0	0	0
Pump Equip Elec Boosters Po	6	0	0	0	0	0	0	0	0
Pump Equip Diesel	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Stratman	6	0	0	0	0	0	0	0	0
Pump Equip Diesel Cntl Pit	6	0	0	0	0	0	0	0	0
Pump Equip Hydraulic	6	0	0	0	0	0	0	0	0
Pump Equip Other	6	30,431	12,048	4,586	5,776	2,927	4,960	37	97
WT Equip Non-Media	2	2,095,388	829,568	315,776	397,707	201,577	341,550	2,514	6,705

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Fire Protection	
								Private (9)	Public (10)
WT Equip Non-Med North (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctr 1 &	2	0	0	0	0	0	0	0	0
WT Equip Non Media Ctr 3 (	2	0	0	0	0	0	0	0	0
WT Equip Non Media Sth (STL)	2	0	0	0	0	0	0	0	0
WT Equip Non Media Mer (STL)	2	0	0	0	0	0	0	0	0
WT Equip Filter Media	2	101,682	40,248	15,320	19,295	9,780	16,571	122	325
Dist Reservoirs & Standpipe	5	193,898	67,573	24,586	26,370	15,628	24,392	8,919	26,428
Elevated Tanks & Standpipes	5	36,411	12,689	4,617	4,952	2,935	4,560	1,675	4,963
Ground Level Facilities	5	18,666	6,512	2,369	2,541	1,506	2,351	860	2,547
TD Mains Not Classified by	7	1,783,599	507,969	185,316	200,833	117,718	184,602	148,039	439,122
TD Mains 4 & Less "	4	127,194	35,742	12,999	13,940	8,268	12,885	10,926	32,434
TD Mains 6 to 8"	4	607,414	170,683	62,078	66,573	39,482	61,531	52,177	154,891
TD Mains 10 to 16"	3	382,215	142,566	54,313	68,378	34,667	58,708	5,963	17,620
TD Mains 18 & Gtr "	3	0	0	0	0	0	0	0	0
TD Mains AC 4 (STL)	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1900-28 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1929-56 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI <10 1957-93 (S"	4	0	0	0	0	0	0	0	0
TD Mains CI 12 (STL)	3	0	0	0	0	0	0	0	0
TD Mains CI 16 (STL)	3	0	0	0	0	0	0	0	0
TD Mains DI 6-8 (STL)	4	0	0	0	0	0	0	0	0
TD Mains DI 12 (STL)	3	0	0	0	0	0	0	0	0
TD Mains DI 16 & >(STL)	3	0	0	0	0	0	0	0	0
TD Mains Galve 1 (STL)	4	0	0	0	0	0	0	0	0
TD Mains LJ 20 (STL)	4	0	0	0	0	0	0	0	0
Fire Mains	8	22,833	0	0	0	0	0	0	22,833
Services	10	1,625,772	1,423,851	147,458	8,454	33,166	2,276	10,568	0
Meters Bronze Case	9	530,393	391,748	66,140	37,234	27,633	7,638	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	2,484	1,835	310	174	129	36	0	0
Meters Other-Ram Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	699,846	516,906	87,271	49,129	36,462	10,078	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	221,860	0	0	0	0	0	0	221,860
Other P/E Intangible	15	1,730	957	205	189	106	160	23	89
Other P/E WT Res Hand Equip	2	23,163	9,170	3,491	4,396	2,228	3,776	28	74
Other P/E TD	7	5,604	1,596	582	631	370	580	465	1,380
Other P/E CPS	15	14,771	8,173	1,753	1,617	908	1,363	198	758
Office Furniture & Equip	15	32,756	18,124	3,888	3,587	2,014	3,023	439	1,680
Comp & Periph Equip	15	34,658	19,176	4,114	3,795	2,131	3,199	464	1,778
Computer Software	15	(52,262)	(28,917)	(6,203)	(5,723)	(3,214)	(4,824)	(700)	(2,681)
Comp Software Personal	15	80	33	7	7	4	6	1	3
Data Handling Equipment	15	12,505	6,919	1,484	1,369	769	1,154	168	642
Other Office Equipment	15	(286)	(158)	(34)	(31)	(18)	(26)	(4)	(15)
Trans Equip Lt Duty Trks	15	(841)	(465)	(100)	(92)	(52)	(78)	(11)	(43)
Trans Equip Hvy Duty Trks	15	0	0	0	0	0	0	0	0

Schedule C-MEX

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Trans Equip Autos	15	(4,493)	(2,486)	(533)	(492)	(276)	(415)	(60)	(230)
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	8,567	4,740	1,017	938	527	791	115	439
Tools, Shop, Garage Equip	15	72,611	40,178	8,619	7,951	4,466	6,702	973	3,725
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	19,127	7,572	2,882	3,630	1,840	3,118	23	61
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	(2,935)	(1,624)	(348)	(321)	(181)	(271)	(39)	(151)
Comm Equip Non-Telephone	15	28,590	15,819	3,394	3,131	1,758	2,639	383	1,467
Comm Equip Telephone	15	(14,033)	(7,764)	(1,666)	(1,537)	(863)	(1,295)	(188)	(720)
Misc Equipment	15	5,166	2,858	613	566	318	477	69	265
Other Tangible Property	17	0	0	0	0	0	0	0	0
Total Utility Plant in Service		15,854,202	7,110,813	2,082,485	2,274,224	1,229,967	1,911,267	260,298	985,148
Other Rate Base Items									
Add:									
Other Utility Plant Adjustments	17	0	0	0	0	0	0	0	0
Cash Working Capital	15	0	0	0	0	0	0	0	0
Materials and Supplies	15	18,263	10,105	2,168	2,000	1,123	1,686	245	937
Prepayments	15	7,355	4,070	873	805	452	679	99	377
OP&B's Contributed to External Fund	16	44,928	22,868	5,153	4,717	2,745	4,084	1,253	4,106
Premature Retirement	17	0	0	0	0	0	0	0	0
Regulatory Deferrals	17	49,446	22,177	6,497	7,091	3,837	5,963	811	3,071
Less:									
Accumulated Deferred ITC (3%)	17	0	0	0	0	0	0	0	0
Deferred Income Taxes	17	(1,101,597)	(494,066)	(144,750)	(157,969)	(85,484)	(132,853)	(18,066)	(68,409)
Pensions	16	(141,083)	(71,811)	(16,182)	(14,814)	(8,620)	(12,824)	(3,936)	(12,895)
Total Other Rate Base Elements		(1,122,688)	(506,658)	(146,241)	(158,170)	(85,946)	(133,266)	(19,595)	(72,813)
Total Original Cost Measure of Value		\$ 14,731,514	\$ 6,604,155	\$ 1,936,244	\$ 2,116,055	\$ 1,144,020	\$ 1,778,001	\$ 240,703	\$ 912,335

MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT

SUMMARY OF AVERAGE DAILY SEND OUT AND MAXIMUM DAILY USAGE
FOR THE YEARS 1990-2005

Year	Average Daily Send out (MGD)	Maximum Daily Use		
		MGD	Ratio to Average	Highest Use Day
(1)	(2)	(3)	(4)	(5)
1990	1.859	3.044	1.64	7/15/1990
1991	2.008	2.738	1.36	3/29/1991
1992	2.044	3.182	1.56	7/2/1992
1993	1.989	2.553	1.28	8/20/1993
1994	1.964	2.525	1.29	8/22/1994
1995	2.282	2.917	1.28	8/28/1995
1996	2.186	3.047	1.39	7/18/1996
1997	2.223	2.886	1.30	7/17/1997
1998	2.240	2.868	1.28	5/19/1998
1999	2.223	3.010	1.35	7/28/1999
2000	2.199	2.770	1.26	8/17/2000
2001	2.322	2.955	1.27	8/1/2001
2002	2.245	2.953	1.32	8/5/2002
2003	2.254	2.937	1.30	8/28/2003
2004	2.116	2.745	1.30	8/18/2004
2005	2.105	2.912	1.38	11/7/2005

**MISSOURI-AMERICAN WATER COMPANY
MEXICO DISTRICT**

**BASIS FOR ALLOCATING DEMAND RELATED COSTS OF FIRE SERVICE
TO PRIVATE AND PUBLIC FIRE PROTECTION CUSTOMER CLASSIFICATIONS**

<u>Description</u> (1)	<u>Restrictive Diameters Squared</u> (2)	<u>Quantity</u> (3)	<u>Relative Demand*</u> (4)=(2)x(3)	<u>Allocation Factor</u> (5)
<u>PRIVATE FIRE PROTECTION</u>				
<u>Fire Lines</u>				
2 -inch	4.00	3	12	
3 -inch	9.00	0	0	
4 -inch	16.00	12	192	
6 -inch	36.00	24	864	
8 -inch	64.00	16	1,024	
10 -inch	100.00	17	1,700	
12 -inch	144.00	2	288	
Private Hydrants	24.75	7	173	
Total Private Fire Protection		<u>81</u>	<u>4,253</u>	0.2520
<u>PUBLIC FIRE PROTECTION</u>				
<u>Hydrant</u>	<u>Nozzle Sizes</u>			
6" Valve	2- 2-1/2" & 1- 3.5"	24.75	510	12,623
6" Valve	2- 2-1/2" & 1- 4"	28.50	<u>0</u>	<u>0</u>
Total Public Fire Protection		<u>510</u>	<u>12,623</u>	0.7480
Total Fire Protection		<u>591</u>	<u>16,876</u>	<u>1.0000</u>

PARKVILLE WATER DISTRICT

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COMPARISON OF COST OF SERVICE WITH REVENUES UNDER PRESENT AND PROPOSED RATES
FOR THE TEST YEAR ENDED JUNE 30, 2006

Customer Classification (1)	Cost of Service		Revenues, Present Rates		Revenues, Proposed Rates		Proposed Increase	
	Amount (Schedule B) (2)	Percent (3)	Amount (4)	Percent (5)	Amount (6)	Percent (7)	Amount (8)	Percent Increase (9)
Residential	\$ 3,013,232	72.8%	\$ 2,313,628	70.4%	\$ 2,897,735	70.4%	\$ 584,107	25.2%
Commercial	755,998	18.2%	654,724	19.9%	820,046	19.9%	165,322	25.3%
Industrial	27,618	0.7%	29,634	0.9%	37,112	0.9%	7,478	25.2%
Public Authority	57,634	1.4%	47,145	1.4%	59,045	1.4%	11,900	25.2%
Sales for Resale	208,382	5.0%	159,292	4.8%	199,494	4.8%	40,202	25.2%
Private Fire Service	80,528	1.9%	85,380	2.6%	106,936	2.6%	21,556	25.2%
Public Fire Service	-	0.0%	\$0	0.0%	\$0	0.0%	-	0.0%
Total Sales	4,143,392	100.0%	3,289,803	100.0%	4,120,368	100.0%	830,565	25.2%
Other Revenues	35,193		35,193		35,193		-	0.0%
Total	\$ 4,178,585		\$ 3,324,996		\$ 4,155,561		\$ 830,565	25.0%

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
OPERATION AND MAINTENANCE EXPENSES									
SOURCE OF SUPPLY EXPENSES									
Super & Eng Oper SS	2	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Labor & Exp Oper SS	2	743	541	138	6	9	48	0	1
Labor & Exp Oper SS	2	58,184	37,261	13,615	692	902	5,429	52	233
Purchased Water	1	58,927	37,802	13,753	698	911	5,477	53	234
TOTAL SS EXPENSE - OPERATION									
Misc Exp Oper SS	2	0	0	0	0	0	0	0	0
Misc Exp Oper SS	2	1,225	891	227	10	15	79	0	2
Rents Oper SS	2	360	262	67	3	4	23	0	1
Super & Eng Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Struct & Improve Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Collect & Impound Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Lake, River & Oth Maint SS	2	0	0	0	0	0	0	0	0
Wells & Springs Maint SS	2	144	105	27	1	2	9	0	0
Wells & Springs Maint SS	2	0	0	0	0	0	0	0	0
Infill Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Infill Gall & Tunnels Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Supply Mains Maint SS	2	0	0	0	0	0	0	0	0
Misc Plant Maint SS	2	229	166	42	2	3	15	0	0
Misc Plant Maint SS	2	(587)	(427)	(109)	(5)	(7)	(38)	0	(1)
TOTAL SS EXPENSE - MAINTENANCE									
		1,370	997	254	11	17	89	1	2
TOTAL SS EXPENSE		60,297	38,799	14,007	709	928	5,566	53	236
POWER AND PUMPING EXPENSES									
Super & Eng Oper P	6	0	0	0	0	0	0	0	0
Fuel for Power Prod	1	0	0	0	0	0	0	0	0
Labor & Exp Oper Pwr Prod	6	(6)	(5)	(1)	(0)	(0)	(0)	(0)	(0)
Labor & Exp Oper Pwr Prod	6	0	0	0	0	0	0	0	0
Purch Fuel/Power for Pump	1	118,011	75,574	27,614	1,404	1,829	11,010	106	472
Labor & Exp Oper Pump	6	3,600	2,527	644	27	42	225	22	112
Labor & Exp Oper Pump	6	0	0	0	0	0	0	0	0
Expenses Transferred	6	0	0	0	0	0	0	0	0
Misc Exp Oper P	6	684	480	122	5	8	43	4	21
Rents Oper P	6	0	0	0	0	0	0	0	0
TOTAL PUMPING EXPENSE - OPERATION		122,288	78,576	28,380	1,437	1,880	11,278	132	606

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Super & Eng Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Struct & Improve Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Power Prod Equip Maint P	6	0	0	0	0	0	0	0	0
Pump Equip Maint P	6	1,489	1,045	266	11	18	93	9	46
Pump Equip Maint P	6	9	6	2	0	0	1	0	0
TOTAL PUMPING EXPENSES - MAINTENANCE		1,498	1,052	268	11	18	94	9	47
TOTAL PUMPING EXPENSES		123,787	79,628	28,648	1,448	1,897	11,372	141	652
WATER TREATMENT									
Super & Eng Oper WT	2	0	0	0	0	0	0	0	0
Chemicals	1	99,952	64,009	23,389	1,189	1,549	9,326	90	400
Labor & Exp Oper WT	2	43,498	31,649	8,065	344	535	2,819	17	70
Labor & Exp Oper WT	2	6,151	4,476	1,140	49	76	399	2	10
Misc Exp Oper WT	2	7,505	5,461	1,391	59	92	486	3	12
Misc Exp Oper WT	1	23	15	5	0	0	2	0	0
Misc Exp Oper WT	2	6,815	4,958	1,263	54	84	442	3	11
Rents Oper WT	2	0	0	0	0	0	0	0	0
TOTAL WT EXPENSE - OPERATION		163,944	110,568	35,254	1,695	2,336	13,473	116	502
Super & Eng Maint WT	2	6,048	4,401	1,121	48	74	392	2	10
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
Struct & Improve Maint WT	2	0	0	0	0	0	0	0	0
WT Equip Maint WT	2	8,643	6,289	1,802	68	106	560	3	14
WT Equip Maint WT	2	9,850	7,167	1,826	78	121	638	4	16
TOTAL WT EXPENSE - MAINTENANCE		24,541	17,856	4,550	194	302	1,590	10	39
TOTAL WT EXPENSE		188,486	128,424	39,804	1,889	2,638	15,063	125	542
TRANSMISSION AND DISTRIBUTION EXPENSES									
Super & Eng Oper TD	11	0	0	0	0	0	0	0	0
Storage Facility Exp	5	0	0	0	0	0	0	0	0
Storage Facility Exp	5	(17)	(10)	(3)	(0)	(0)	(1)	(0)	(1)
TD Lines Exp	7	5,243	2,823	831	31	56	277	200	1,024
TD Lines Exp	7	2,158	1,162	342	13	23	114	82	421
Meter Expense	9	40	31	7	0	1	0	0	0
Meter Expense	9	313	242	59	1	7	4	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0
Customer Install Exp	10	0	0	0	0	0	0	0	0

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Services (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Misc Exp Oper TD	11	30,354	16,670	4,848	179	340	1,545	1,108	5,664
Misc Exp Oper TD	11	60,086	32,999	9,596	355	673	3,058	2,193	11,212
Misc Exp Oper TD	11	12,060	6,623	1,926	71	135	614	440	2,250
Rents Oper TD	11	0	0	0	0	0	0	0	0
TOTAL T & D EXPENSE OPERATION		110,237	60,541	17,605	650	1,235	5,611	4,024	20,570
Super & Eng Maint TD	12	0	0	0	0	0	0	0	0
Struct & Improve Maint TD	12	0	0	0	0	0	0	0	0
Dist Res Stand Maint TD	5	0	0	0	0	0	0	0	0
TD Main Maint TD	7	3,000	1,616	476	18	32	158	115	586
TD Main Maint TD	7	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Fire Main Maint TD	8	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Services Maint TD	10	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Meters Maint TD	9	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Hydrants Maint TD	8	0	0	0	0	0	0	0	0
Misc Plant Maint TD	12	4,573	2,463	725	27	49	241	175	893
Mat and Sup Maint TD	12	44,279	23,844	7,018	266	474	2,338	1,691	8,648
Misc Maint TD	12	244	131	39	1	3	13	9	48
Amort Def Maint TD	5	24,143	14,896	4,884	167	319	1,531	418	2,129
TOTAL T & D EXPENSE - MAINTENANCE		76,240	42,951	12,841	479	876	4,281	2,408	12,304
TOTAL T & D EXPENSE		186,477	103,492	30,546	1,130	2,111	9,893	6,431	32,874
CUSTOMER ACCOUNTS									
Supervision CA	13	0	0	0	0	0	0	0	0
Meter Reading Exp CA	14	24,749	22,534	1,977	49	171	17	0	0
Meter Reading Exp CA	14	(23)	(21)	(2)	(0)	(0)	(0)	0	0
Meter Reading Exp CA	14	(50)	(46)	(4)	(0)	(0)	(0)	0	0
Cust Rec & Collection CA	13	27,995	25,039	2,198	56	190	20	493	0
Cust Rec & Collection CA	13	22,850	20,437	1,794	46	155	16	402	0
Uncollectible Accts	13	28,517	25,506	2,239	57	194	20	502	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	0	0	0	0	0	0	0	0
Misc Cust Accts Exp CA	13	5,509	4,927	432	11	37	4	97	0
Cust Serv & Info Exp CA	13	(20)	(18)	(2)	(0)	(0)	(0)	(0)	0
TOTAL CUSTOMER ACCOUNTING EXPENSE		109,527	98,359	8,632	219	747	77	1,493	0

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
ADMINISTRATIVE AND GENERAL EXPENSES									
Salaries AG	15	76,612	53,077	11,124	414	789	3,164	1,563	6,481
Other Supplies & Exp AG	15	2,523	1,748	366	14	26	104	51	213
Other Supplies & Exp AG	15	21,088	14,609	3,062	114	217	871	430	1,784
Other Supplies & Exp AG	15	25,107	17,394	3,645	136	259	1,037	512	2,124
Mgmt Fees-Corporate/Shared Service Center	15	214,465	148,581	31,140	1,158	2,209	8,857	4,375	18,144
Mgmt Fees-Call Center	13	7,859	7,029	617	16	53	6	138	0
Mgmt Fees-Belleville Lab	2	9,892	7,197	1,834	78	122	641	4	16
Mgmt Fees-Financial ITS	15	74,742	51,781	10,853	404	770	3,087	1,525	6,323
Mgmt Fees-Customer Billings ITS	13	(3)	(2)	(0)	(0)	(0)	(0)	(0)	0
Mgmt Fees-Other ITS	15	970	672	141	5	10	40	20	82
Outside Services AG	15	10,144	7,028	1,473	55	104	419	207	868
Outside Services AG	15	58,615	40,608	8,511	317	604	2,421	1,196	4,959
Property Insurance	15	0	0	0	0	0	0	0	0
Ins Gen Liab Oper AG	15	34,430	23,853	4,999	188	355	1,422	702	2,913
Ins Work Comp AG	16	9,312	6,719	1,338	50	95	376	146	588
Ins Other Oper AG	15	13,136	9,101	1,907	71	135	543	268	1,111
Property Insurance	15	917	636	133	5	9	38	19	78
Injuries & Damages	16	59	42	8	0	1	2	1	4
Employee Pension & Benefits	16	54,571	39,373	7,842	295	557	2,205	857	3,443
Employee Pension & Benefits	16	25,430	18,348	3,654	137	259	1,027	399	1,605
Employee Pension & Benefits	16	2,016	1,455	290	11	21	81	32	127
Reg Commission Exp	15	3,386	2,346	492	18	35	140	69	286
Rents AG	15	2,606	1,806	378	14	27	108	53	220
Goodwill Advertising Exp	15	146	101	21	1	1	6	3	12
Misc Exp AG	15	19,010	13,170	2,760	103	196	785	388	1,608
Research & Development	15	0	0	0	0	0	0	0	0
TOTAL A & G OPERATIONS		667,031	466,670	96,589	3,600	6,854	27,380	12,958	52,980
General Plant Maint AG	15	0	0	0	0	0	0	0	0
General Plant Maint AG	15	4,134	2,864	600	22	43	171	84	350
TOTAL A & G EXPENSE - MAINTENANCE		4,134	2,864	600	22	43	171	84	350
TOTAL A & G EXPENSE		671,165	469,534	97,190	3,622	6,896	27,550	13,042	53,330
Total Operation & Maintenance Expenses		1,339,739	918,235	218,827	9,017	15,218	69,520	21,287	87,634

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT
COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
DEPRECIATION EXPENSE									
Struct & Imp SS	2	437	318	81	3	5	28	0	1
Struct & Imp P	6	475	333	85	4	6	30	3	15
Struct & Imp WT	2	9,725	7,076	1,803	77	120	630	4	16
Struct & Imp TD	7	3,150	1,696	499	19	34	166	120	615
Struct & Imp Offices	15	1,752	1,214	254	9	18	72	36	148
Struct & Imp Store, Shop, Gar	15	1,191	825	173	6	12	49	24	101
Struct & Imp Misc	15	5,840	3,807	819	30	58	233	115	477
Collect & Impounding	1	0	0	0	0	0	0	0	0
Lake, River & Other Intakes	2	0	0	0	0	0	0	0	0
Wells & Springs	2	4,126	3,002	765	33	51	267	2	7
Supply Mains	2	2,686	1,954	498	21	33	174	1	4
Power Generation Equip Other	6	0	0	0	0	0	0	0	0
Pump Equip Electric	6	15,569	10,926	2,785	118	184	975	95	486
Pump Equip Diesel	6	150	105	27	1	2	9	1	5
Pump Equip Hydraulic	6	954	670	171	7	11	60	6	30
Pump Equip Other	6	683	479	122	5	8	43	4	21
WT Equip Non-Media	2	50,817	36,974	9,421	401	625	3,293	20	81
WT Equip Filter Media	2	1,482	1,078	275	12	18	96	1	2
Dist Reservoirs & Standpipe	5	23,216	14,324	4,504	160	306	1,472	402	2,048
Elevated Tanks & Standpipes	5	1,923	1,186	373	13	25	122	33	170
Ground Level Facilities	5	1,179	727	229	8	16	75	20	104
TD Mains Not Classified by	7	111,780	60,194	17,717	671	1,196	5,902	4,270	21,831
TD Mains 4 & Less	4	3,972	1,913	602	21	41	197	196	1,001
TD Mains 6 to 8"	4	35,542	17,121	5,388	192	366	1,759	1,756	8,960
TD Mains 10 to 16"	3	67,764	47,292	12,048	508	793	4,215	474	2,433
TD Mains 18 & Grtr	3	0	0	0	0	0	0	0	0
Fire Mains	8	1,224	0	0	0	0	0	0	1,224
Services	10	(6,289)	(5,311)	(596)	(16)	(58)	(11)	(296)	0
Meters Bronze Case	9	(3,605)	(2,793)	(876)	(14)	(78)	(45)	0	0
Meters Plastic Case	9	0	0	0	0	0	0	0	0
Meters Other	9	1,495	1,158	280	6	32	19	0	0
Meters Other-Rem Rdr Units	9	0	0	0	0	0	0	0	0
Meter Installations	9	26,961	20,887	5,052	102	585	334	0	0
Meter Installation Other	9	0	0	0	0	0	0	0	0
Hydrants	8	8,410	0	0	0	0	0	0	8,410
Utility Plant Acquisition Adjustment	17	0	0	0	0	0	0	0	0
Other P/E WT Res Hand Equip	2	0	0	0	0	0	0	0	0
Other P/E TD	11	401	220	64	2	4	20	15	75
Other P/E CPS	15	0	0	0	0	0	0	0	0
Office Furniture & Equip	15	3,561	2,467	517	19	37	147	73	301
Comp & Periph Equip	15	16,702	11,571	2,425	90	172	690	341	1,413
Computer Software	15	24,476	16,957	3,554	132	252	1,011	499	2,071
Comp Software Personal	15	229	159	33	1	2	9	5	19
Data Handling Equipment	15	10,432	7,227	1,515	56	107	431	213	883

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

COST OF SERVICE FOR THE TWELVE MONTHS ENDED JUNE 30, 2006, ALLOCATED TO CUSTOMER CLASSIFICATIONS

Account (1)	Factor Ref. (2)	Cost of Service (3)	Residential (4)	Commercial (5)	Industrial (6)	Public Authorities (7)	Sales for Resale (8)	Private (9)	Fire Protection Public (10)
Other Office Equipment	15	1,619	1,122	235	9	17	67	33	137
Trans Equip Lt Duty Trks	15	3,553	2,462	516	19	37	147	72	301
Trans Equip Hwy Duty Trks	15	0	0	0	0	0	0	0	0
Trans Equip Autos	15	2,164	1,499	314	12	22	89	44	183
Trans Equip Other	15	0	0	0	0	0	0	0	0
Stores Equipment	15	333	231	48	2	3	14	7	28
Tools, Shop, Garage Equip	15	5,339	3,699	775	29	55	221	109	452
Tools, Shop, Garage Equip Oth	15	0	0	0	0	0	0	0	0
Laboratory Equipment	2	6,828	4,968	1,266	54	84	442	3	11
Laboratory Equip Other	2	0	0	0	0	0	0	0	0
Power Operated Equipment	15	27	19	4	0	0	1	1	2
Comm Equip Non-Telephone	15	2,712	1,879	394	15	28	112	55	228
Comm Equip Telephone	15	18	12	3	0	0	1	0	2
Misc Equipment	15	28,595	19,811	4,152	154	295	1,181	583	2,419
Other Tangible Property	15	0	0	0	0	0	0	0	0
Total Depreciation Expense		479,398	301,561	78,516	2,995	5,525	24,747	9,340	56,714
Amort-Other UP	18	628	390	101	4	7	31	13	81
Taxes Other Than Income									
Utility Reg Assessment Fee	19	14,452	9,298	2,344	91	168	727	280	1,543
Property Taxes	18	369,858	229,742	59,663	2,218	4,325	18,187	7,948	47,575
FUTA	16	281	203	40	2	3	11	4	18
FICA	16	18,114	13,069	2,603	98	185	732	284	1,143
SUTA	16	61	44	9	0	1	2	1	4
Other Taxes & Licenses	15	6,757	4,681	981	36	70	279	138	572
Gross Receipts Tax	19	0	0	0	0	0	0	0	0
Total Taxes, Other Than Income		409,321	257,037	65,640	2,445	4,750	19,939	8,956	50,855
Income Taxes									
Utility Income Available for Return	18	547,022	339,974	88,289	3,282	6,400	26,913	11,761	70,402
Total Cost of Service		1,402,477	871,639	226,360	8,415	16,409	69,002	30,153	180,499
Less: Other Water Revenues									
Revenue Contribution	19	35,193	22,643	5,708	222	408	1,770	683	3,759
Total Other Water Revenues		35,193	22,643	5,708	222	408	1,770	683	3,759
Total Cost of Service Related to Sales of Water		\$ 4,143,392	\$ 2,868,193	\$ 672,025	\$ 25,937	\$ 47,901	\$ 208,382	\$ 80,528	\$ 442,425
Reallocation of Public Fire	20	0	347,039	83,972	1,681	9,733	0	0	(442,425)
Total		\$ 4,143,392	\$ 3,013,232	\$ 755,998	\$ 27,618	\$ 57,634	\$ 208,382	\$ 80,528	\$ -

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

FACTORS FOR ALLOCATING COST OF SERVICE TO CUSTOMER CLASSIFICATIONS

FACTOR 1. ALLOCATION OF COSTS WHICH VARY WITH THE AMOUNT OF WATER CONSUMED.

Factors are based on the pro forma test year average daily consumption for each customer classification.

Customer Classification	Average Daily Consumption, Thousand Gallons	Allocation Factor
(1)	(2)	(3)
Residential	1,448	0.6404
Commercial	529	0.2340
Industrial	27	0.0119
Other Public Authority	35	0.0155
Sales for Resale	211	0.0933
Private Fire Protection	2	0.0009
Public Fire Protection	9	0.0040
Total	2,261	1.0000

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM DAY EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the factors for average daily consumption (Factor 1) and the factors derived from maximum day extra capacity demand for each customer classification, as follows:

Customer Classification	Average Daily Consumption		Maximum Day Extra Capacity		Allocation Factor
	Allocation Factor 1	Weighted Factor	Allocation Factor	Weighted Factor	
(1)	(2)	(3)=(2)x 0.4000	(4)	(5)=(4)x 0.6000	(6)=(3)+(5)
Residential	0.6404	0.2561	0.7859	0.4715	0.7276
Commercial	0.2340	0.0936	0.1530	0.0918	0.1854
Industrial	0.0119	0.0048	0.0051	0.0031	0.0079
Other Public Authority	0.0155	0.0062	0.0101	0.0061	0.0123
Sales for Resale	0.0933	0.0373	0.0459	0.0275	0.0648
Private Fire Protection	0.0009	0.0004			0.0004
Public Fire Protection	0.0040	0.0016			0.0016
Total	1.0000	0.4000	1.0000	0.6000	1.0000

The derivation of the maximum day extra capacity factors in column 4 and the basis for the column 3 and 5 weightings are presented on the following page.

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

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

FACTOR 2. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM DAY EXTRA CAPACITY FUNCTIONS, cont.

Customer Classification	Average Daily Consumption, Thousand Gal.	Maximum Day Extra Capacity		
		Factor*	Rate of Flow, Thousand Gal. Per Day	Allocation Factor
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	1,448	1.5	2,172	0.7859
Commercial	529	0.8	423	0.1530
Industrial	27	0.5	14	0.0051
Other Public Authority	35	0.8	28	0.0101
Sales for Resale	211	0.6	127	0.0459
Total	2,250		2,764	1.0000

The weighting of the factors is based on the maximum day ratio of 2.20, based on a review of maximum day ratios experienced during the period 1990 through 2005 (see Schedule D).

	Maximum Day Ratio	Weight
Average Day	1.00	0.4000
Maximum Day Extra Capacity	1.50	0.6000
Total	2.50	1.0000

* Ratio of maximum day to average day minus 1.0.

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY
AND FIRE PROTECTION FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification (1)	Average Daily Consumption		Maximum Day Extra Capacity		Fire Protection	
	Allocation Factor (2)	Weighted Factor (3)=(2) X 0.3836	Allocation Factor (4)	Weighted Factor (5)=(4) X 0.5753	Allocation Factor (6)	Weighted Factor (7)=(6) X 0.0411
Residential	0.6404	0.2457	0.7859	0.4522		0.6979
Commercial	0.2340	0.0898	0.1530	0.0880		0.1778
Industrial	0.0119	0.0046	0.0051	0.0029		0.0075
Other Public Authority	0.0155	0.0059	0.0101	0.0058		0.0117
Sales for Resale	0.0933	0.0358	0.0459	0.0264		0.0622
Private Fire Protection	0.0009	0.0003			0.1636	0.0070
Public Fire Protection	0.0040	0.0015			0.8364	0.0359
Total	1.0000	0.3836	1.0000	0.5753	1.0000	0.0411
						1.0000

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

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

FACTOR 3. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE, MAXIMUM DAY EXTRA CAPACITY AND FIRE PROTECTION FUNCTIONS, cont.

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum day ratio of 2.50 and the average daily system sendout for 2005 of 2.238 MGD. The system demand for fire protection is 2,000 Gallons per minute for 2 hours.

	Ratio	Rate of Flow, (GPD)	Weight
Average Day	1.00	2,238,000	0.3836
Maximum Day Extra Capacity	1.50	3,357,000	0.5753
Subtotal	<u>2.50</u>	5,595,000	0.9589
Fire Protection		240,000	0.0411
Total		<u>5,835,000</u>	<u>1.0000</u>

The public and private fire protection allocation factors in column 6 on the previous page are based on the relative potential demands (see Schedule E).

MISSOURI-AMERICAN WATER COMPANY
PARKVILLE WATER DISTRICT

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

FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS.

Factors are based on the weighting of the average daily consumption, the maximum day extra capacity demand, and the fire protection demand for each customer classification.

Customer Classification	Average Hourly Consumption			Maximum Hour Extra Capacity			Fire Protection		
	Thousand Gallons	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	Weighted Factor	Allocation Factor	
	(2)	(3)	(4)=(3) X 0.2332	(5)	(6)=(5) X 0.4666	(7)	(8)=(7) X 0.3002	(9)=(4)+(6)+(8)	
(1)									
Residential	60.3	0.6402	0.1492	0.7127	0.3325			0.4817	
Commercial	22.0	0.2335	0.0545	0.2080	0.0971			0.1516	
Industrial	1.1	0.0117	0.0027	0.0057	0.0027			0.0054	
Other Public Authority	1.5	0.0159	0.0037	0.0142	0.0066			0.0103	
Sales for Resale	8.8	0.0934	0.0218	0.0594	0.0277			0.0495	
Private Fire Protection	0.1	0.0011	0.0003			0.1636	0.0491	0.0494	
Public Fire Protection	0.4	0.0042	0.0010			0.8364	0.2511	0.2521	
Total	94.2	1.0000	0.2332	1.0000	0.4666	1.0000	0.3002	1.0000	

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

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

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

**FACTOR 4. ALLOCATION OF COSTS ASSOCIATED WITH FACILITIES SERVING BASE AND
MAXIMUM HOUR EXTRA CAPACITY FUNCTIONS, cont.**

The weighting of the factors is based on the potential demand of general and fire protection service. The bases for the potential demand of general service are the maximum hour ratio of 3.0 and the average daily system sendout for 2005 of 2.238 MGD. The system demand for fire protection is 2,000 gallons per minute.

	<u>Ratio</u>	<u>Rate of Flow, (GPM)</u>	<u>Weight</u>
Average Hour	1.00	1,554	0.2332
Maximum Hour Extra Capacity	<u>2.00</u>	<u>3,108</u>	<u>0.4666</u>
Subtotal	<u>3.00</u>	4,662	0.6998
Fire Protection		<u>2,000</u>	<u>0.3002</u>
Total		<u>6,662</u>	<u>1.0000</u>

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

<u>Customer Classification</u>	<u>Average Hourly Consumption Thousand Gal.</u>	<u>Maximum Hour Extra Capacity</u>		
		<u>Factor*</u>	<u>1,000 Gallons Per Hour</u>	<u>Allocation Factor</u>
(1)	(2)	(3)	(4)=(2)x(3)	(5)
Residential	60.3	3.5	211.1	0.7127
Commercial	22.0	2.8	61.6	0.2080
Industrial	1.1	1.5	1.7	0.0057
Other Public Authority	1.5	2.8	4.2	0.0142
Sales for Resale	<u>8.8</u>	<u>2.0</u>	<u>17.6</u>	<u>0.0594</u>
Total	<u>93.7</u>		<u>296.2</u>	<u>1.0000</u>

* Ratio of Maximum Hour To Average Hour Minus 1.0.

The public and private fire protection allocation factors in column 7 on the previous page are based on the relative potential demands (see Schedule E).