

*Exhibit No.:*  
*Issue:* *Staff Accounting Schedules*  
*Witness:* *MoPSC Auditors*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Direct*  
*Case No.:* *WR-2007-0216*  
*Date Testimony Prepared:* *June 5, 2007*

**MISSOURI PUBLIC SERVICE COMMISSION**  
**UTILITY SERVICES DIVISION**

**STAFF ACCOUNTING SCHEDULES**  
**DIRECT**

**MISSOURI-AMERICAN WATER COMPANY**

**CASE NO. WR-2007-0216**

*Jefferson City, Missouri*  
*June 2007*

**TOTAL COMPANY**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Revenue Requirement**

| Line | (A)  | Total Company                 |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 563,956,775                | \$ 563,956,775                | \$ 563,956,775                |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 35,303,694                 | \$ 36,093,234                 | \$ 36,882,773                 |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 33,840,189                    | 33,840,189                    | 33,840,189                    |
| 5    | Additional Net Operating Income Requirement                    | \$ 1,463,505                  | \$ 2,253,044                  | \$ 3,042,584                  |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 10,517,711                 | \$ 11,009,655                 | \$ 11,501,598                 |
| 8    | Test Year Current Income Tax                                   | 9,605,834                     | 9,605,834                     | 9,605,834                     |
| 9    | Additional Current Income Tax Requirement                      | \$ 911,877                    | \$ 1,403,821                  | \$ 1,895,764                  |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 2,375,381                  | \$ 3,656,865                  | \$ 4,938,348                  |
| 11   | Allowance for True-up  | \$ 6,733,791                  | \$ 6,733,791                  | \$ 6,733,791                  |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 9,109,172</b>           | <b>\$ 10,390,656</b>          | <b>\$ 11,672,139</b>          |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 167,198,797                | \$ 167,198,797                | \$ 167,198,797                |
| 14   | Total Gross Revenue Requirement                                | \$ 176,307,969                | \$ 177,589,453                | \$ 178,870,936                |

Missouri-American Water Company  
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Rate Base

| Line | Description<br>(A)  | Total Company          |                                  |                       |
|------|---|------------------------|----------------------------------|-----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)          |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 1,116,210,606       | \$ 10,025,685                    | \$ 1,126,236,291      |
| 2    | Less:   |                        |                                  | 0                     |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 294,500,886            | 3,132,307                        | 297,633,193           |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                     |
| 5    | Net Plant in Service  | \$ 821,709,720         | \$ 6,893,378                     | \$ 828,603,098        |
| 6    | Add:  |                        |                                  |                       |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ 3,313,433           | \$                               | \$ 3,313,433          |
| 8    | Materials and Supplies  | 3,354,824              | 18,526                           | 3,373,350             |
| 9    | Prepayments   | 0                      | 687,420                          | 687,420               |
| 10   | Deferred OPEB Asset   | 0                      | 950,190                          | 950,190               |
| 11   | Other   | 0                      | 0                                | 0                     |
| 12   | Other   | 0                      | 0                                | 0                     |
| 13   | Other   | 0                      | 0                                | 0                     |
| 14   | Total Additions to Net Plant in Service                       | \$ 6,668,257           | \$ 1,656,136                     | \$ 8,324,393          |
| 15   | Deduct:   |                        |                                  |                       |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 2,307,533           | \$                               | \$ 2,307,533          |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (394,205)              |                                  | (394,205)             |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 23,905                 |                                  | 23,905                |
| 19   | Contributions In Aid of Construction:                         | 132,847,245            | 0                                | 132,847,245           |
| 20   | Customer Advances   | 62,885,846             | (3,423)                          | 62,882,423            |
| 21   | Customer Deposits   | 0                      | 0                                | 0                     |
| 22   | Pre-71 ITC  | 51,839                 | (16,635)                         | 35,204                |
| 23   | Deferred Income Taxes   | 0                      | 65,038,249                       | 65,038,249            |
| 24   | Accrued Pension Liability                                     | 229,325                | 10,001,036                       | 10,230,361            |
| 25   | Other   | 0                      | 0                                | 0                     |
| 26   | Other   | 0                      | 0                                | 0                     |
| 27   | Other   | 0                      | 0                                | 0                     |
| 28   | Total Deductions to Net Plant in Service                      | \$ 197,951,488         | \$ 75,019,227                    | \$ 272,970,715        |
| 29   | <b>Total Rate Base</b>  | <b>\$ 630,426,489</b>  | <b>\$ (66,469,714)</b>           | <b>\$ 563,956,775</b> |



## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Plant In Service

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments  |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|---------|----------------------------------|-----------------------|--------------|------|---------------------------|----------------------------|
|      |         |                                  |                       | Amount       | No.  |                           |                            |
|      | (A)     | (B)                              | (C)                   | (D)          | (E)  | (F)                       | (G)                        |
| 1    |         | Intangible                       |                       |              |      |                           |                            |
| 2    | 301     | Organization                     | \$ (2,719)            | \$ 0         | P-1  | \$ 181,865                | \$ 179,146                 |
| 3    | 302     | Franchise & Consents             | 39,650                | 0            | P-2  | 0                         | 39,650                     |
| 4    | 303     | Miscellaneous Intangible         | 55,550                | 0            | P-3  | 284,735                   | 340,285                    |
| 5    |         | Total Intangible                 | \$ 92,481             | \$ 0         |      | \$ 466,600                | \$ 559,081                 |
| 6    |         | Source of Supply                 |                       |              |      |                           |                            |
| 7    | 310     | Land & Land Rights               | \$ 1,707,294          | \$ 0         | P-4  | \$ 0                      | \$ 1,707,294               |
| 8    | 311     | Structures & Improvements        | 10,604,137            | 0            | P-5  | 0                         | 10,604,137                 |
| 9    | 312     | Collecting & Impounding Res      | 111,066               | 0            | P-6  | 0                         | 111,066                    |
| 10   | 313     | Lake, River & Other Intakes      | 447,399               | 0            | P-7  | 0                         | 447,399                    |
| 11   | 314     | Wells & Springs                  | 6,659,423             | (350,000)    | P-8  | 0                         | 6,309,423                  |
| 12   | 315     | Infiltration Galleries & Tunnels | 1,804                 | 0            | P-9  | 0                         | 1,804                      |
| 13   | 316     | Supply Mains                     | 10,960,950            | 0            | P-9  | 0                         | 10,960,950                 |
| 14   | 316     | Supply Mains-North Plant         | 245,687               | 0            | P-10 | 0                         | 245,687                    |
| 15   | 316     | Supply Mains-Central Plant       | 3,929,522             | 0            | P-11 | 0                         | 3,929,522                  |
| 16   | 316     | Supply Mains-South Plant         | 337,448               | 0            | P-12 | 0                         | 337,448                    |
| 17   | 316     | Supply Mains-Meramec Plant       | 1,313,864             | 0            | P-13 | 0                         | 1,313,864                  |
| 18   | 317     | Other Source of Supply Plant     | 1,730                 | 0            | P-14 | 0                         | 1,730                      |
| 19   |         | Total Source of Supply           | \$ 36,320,324         | \$ (350,000) |      | \$ 0                      | \$ 35,970,324              |
| 20   |         | Pumping                          |                       |              |      |                           |                            |
| 21   | 320     | Land & Land Rights               | \$ 367,015            | \$ 0         | P-15 | \$ 0                      | \$ 367,015                 |
| 22   | 321     | S & I-Plant                      | 7,919,481             | 0            | P-16 | 0                         | 7,919,481                  |
| 23   | 321.1   | S & I-Pumps (STL)                | 4,848,057             | 0            | P-17 | 0                         | 4,848,057                  |
| 24   | 321.2   | S & I-Boosters                   | 2,718,024             | 0            | P-18 | 0                         | 2,718,024                  |
| 25   | 322     | Boiler Equipment                 | 348                   | 0            | P-19 | 0                         | 348                        |
| 26   | 323     | Other Power Prod. Equip.         | 332,106               | 0            | P-20 | 0                         | 332,106                    |
| 27   | 324     | Steam Pumping Equipment          | 6,907                 | 0            | P-21 | 0                         | 6,907                      |
| 28   | 325.1   | Electric Pumping Equipment       | 13,777,899            | 0            | P-22 | 0                         | 13,777,899                 |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 874,158               | 0            | P-23 | 0                         | 874,158                    |
| 30   | 325.3   | Pumping Equipment-Post '46       | 25,323,220            | 0            | P-24 | 0                         | 25,323,220                 |
| 31   | 325     | Pumping Equipment-Booster        | 1,493,074             | 0            | P-25 | 0                         | 1,493,074                  |
| 32   | 326     | Diesel Pumping Equipment         | 145,006               | 0            | P-26 | 0                         | 145,006                    |
| 33   | 326     | Dsl Pump Equip-Stratman          | 207,946               | 0            | P-27 | 0                         | 207,946                    |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 1,698,803             | 0            | P-28 | 0                         | 1,698,803                  |
| 35   | 327     | Pump Equip Hydraulic             | 81,548                | 0            | P-29 | 0                         | 81,548                     |
| 36   | 328     | Other Pumping Equipment          | 501,764               | 0            | P-30 | 0                         | 501,764                    |
| 37   |         | Total Pumping                    | \$ 60,295,356         | \$ 0         |      | \$ 0                      | \$ 60,295,356              |
| 38   |         | Water Treatment Plant            |                       |              |      |                           |                            |
| 39   | 330     | Land & Land Rights               | \$ 1,455,587          | \$ 0         | P-31 | \$ 0                      | \$ 1,455,587               |
| 40   | 331     | Structures & Improvements        | 33,406,424            | 0            | P-32 | 0                         | 33,406,424                 |
| 41   | 331     | S & I - North Plant              | 5,897,100             | 0            | P-33 | 0                         | 5,897,100                  |
| 42   | 331     | S & I-Central 1 & 2              | 2,679,748             | 0            | P-34 | 0                         | 2,679,748                  |
| 43   | 331     | S & I-Central 3                  | 21,452,569            | 0            | P-35 | 0                         | 21,452,569                 |
| 44   | 331     | S & I-South Plant                | 2,375,351             | 0            | P-36 | 0                         | 2,375,351                  |
| 45   | 331     | S & I-Meramac                    | 9,171,169             | 0            | P-37 | 0                         | 9,171,169                  |
| 46   | 332     | WT Equip Non-Media               | 36,268,103            | 0            | P-38 | 0                         | 36,268,103                 |
| 47   | 332     | WT Equip-North Plant             | 7,179,235             | 0            | P-39 | 0                         | 7,179,235                  |
| 48   | 332     | WT Equip-Central 1 & 2           | 2,256,219             | 0            | P-40 | 0                         | 2,256,219                  |
| 49   | 332     | WT Equip-Central 3               | 21,805,467            | 0            | P-41 | 0                         | 21,805,467                 |

Missouri-American Water Company  
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Plant In Service

| Line | A/C<br>No<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Total Company<br>Adjustments |           | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|------------------|-------------------------------------|------------------------------|------------------------------|-----------|----------------------------------|-----------------------------------|
|      |                  |                                     |                              | Amount<br>(D)                | No<br>(E) |                                  |                                   |
| 50   | 332              | WT Equip-South Plant                | 2,628,630                    | 0                            | P-42      | 0                                | 2,628,630                         |
| 51   | 332              | WT Equip-Meramac                    | 7,355,932                    | 0                            | P-43      | 0                                | 7,355,932                         |
| 52   | 332              | Other P/E Hand Equipment            | 1,481,666                    | 0                            | P-44      | 0                                | 1,481,666                         |
| 53   | 332.4            | Equipment Filter Media              | 1,077,545                    | 0                            | P-45      | 0                                | 1,077,545                         |
| 54   |                  | Total Water Treatment Plant         | \$ 156,490,745               | \$ 0                         |           | \$ 0                             | \$ 156,490,745                    |
| 55   |                  | Transmission & Distribution         |                              |                              |           |                                  |                                   |
| 56   | 340              | Land & Land Rights                  | \$ 4,728,291                 | \$ 0                         | P-46      | \$ 0                             | \$ 4,728,291                      |
| 57   | 341              | Structures & Improvements           | 6,974,157                    | 0                            | P-47      | 0                                | 6,974,157                         |
| 58   | 341.63           | S & I-Spec Cross                    | 267,357                      | 0                            | P-48      | 0                                | 267,357                           |
| 59   | 342              | Distr. Res. & Standpipes            | 7,603,095                    | 0                            | P-49      | 0                                | 7,603,095                         |
| 60   | 342              | Rsvr & Standpipe-Elev               | 5,869,922                    | 0                            | P-50      | 0                                | 5,869,922                         |
| 61   | 342              | Rsvr & Standpipe-Ground             | 10,591,293                   | 0                            | P-51      | 0                                | 10,591,293                        |
| 62   | 343              | T & D Mains (Not Classified)        | 33,101,975                   | 0                            | P-52      | 0                                | 33,101,975                        |
| 63   | 343.1            | T & D Mains - 4" & Less             | 4,024,296                    | 0                            | P-53      | 0                                | 4,024,296                         |
| 64   | 343.1            | T & D Mains AC 4 (STL)              | 2,827,541                    | 0                            | P-54      | 0                                | 2,827,541                         |
| 65   | 343.1            | T & D Mains Galv 1 (STL)            | 50,188                       | 0                            | P-55      | 0                                | 50,188                            |
| 66   | 343.2            | T & D Mains - 6" to 8"              | 43,385,008                   | 0                            | P-56      | 0                                | 43,385,008                        |
| 67   | 343.2            | CI-10" & Smaller-1900-1928          | 2,800,809                    | 0                            | P-57      | 0                                | 2,800,809                         |
| 68   | 343.2            | CI-10" & Smaller 1929-1956          | 17,273,037                   | 0                            | P-58      | 0                                | 17,273,037                        |
| 69   | 343.2            | CI-10" & Smaller-1957-1993          | 53,099,538                   | 0                            | P-59      | 0                                | 53,099,538                        |
| 70   | 343.2            | T & D Mains - DI 6-8 (STL)          | 242,693,826                  | 0                            | P-60      | 0                                | 242,693,826                       |
| 71   | 343.2            | T & D Mains - DI 6-10" (TN)         | 7,101                        | 0                            | P-61      | 0                                | 7,101                             |
| 72   | 343.2            | T & D Mains - PL 6-8" (STL)         | 666,787                      | 0                            | P-62      | 0                                | 666,787                           |
| 73   | 343.3            | T & D Mains - 10" to 16"            | 46,077,117                   | 0                            | P-63      | 0                                | 46,077,117                        |
| 74   | 343.3            | T & D Mains - 18" & Greater         | 13,651,081                   | 0                            | P-64      | 0                                | 13,651,081                        |
| 75   | 343.3            | CI-12" (STL)                        | 13,026,543                   | 0                            | P-65      | 0                                | 13,026,543                        |
| 76   | 343.3            | CI-16" (STL)                        | 19,124,068                   | 0                            | P-66      | 0                                | 19,124,068                        |
| 77   | 343.3            | T & D Mains - DI 12 (STL)           | 59,333,118                   | 0                            | P-66      | 0                                | 59,333,118                        |
| 78   | 343.3            | T & D Mains - DI 16 & Greater (STL) | 106,941,041                  | 0                            | P-67      | 0                                | 106,941,041                       |
| 79   | 343.3            | T & D Mains - LJ 20 (STL)           | 4,499,594                    | 0                            | P-68      | 0                                | 4,499,594                         |
| 80   | 343.3            | T & D Mains - PL 12 (STL)           | 274,277                      | 0                            | P-69      | 0                                | 274,277                           |
| 81   | 344              | Fire Mains                          | 529,359                      | 0                            | P-70      | 0                                | 529,359                           |
| 82   | 345              | Services                            | 23,175,266                   | 0                            | P-71      | 0                                | 23,175,266                        |
| 83   | 346.1            | Meters-Bronze Case                  | 5,656,199                    | 0                            | P-72      | 0                                | 5,656,199                         |
| 84   | 346.2            | Meters-Plastic Case                 | 90,711                       | 0                            | P-73      | 0                                | 90,711                            |
| 85   | 346.3            | Meters-Other                        | 20,627,427                   | 0                            | P-74      | 0                                | 20,627,427                        |
| 86   | 346.3            | Meters-Remote (ARB's)               | 4,192,376                    | 0                            | P-75      | 0                                | 4,192,376                         |
| 87   | 347.1            | Meter Install                       | 16,108,748                   | 0                            | P-76      | 0                                | 16,108,748                        |
| 88   | 347.2            | Meter Install-Other                 | 9,622,440                    | 0                            | P-77      | 0                                | 9,622,440                         |
| 89   | 348              | Hydrants                            | 48,675,649                   | 0                            | P-78      | 0                                | 48,675,649                        |
| 90   | 349              | Other T&D Plant                     | 35,406                       | 0                            | P-79      | 0                                | 35,406                            |
| 91   |                  | Total Transmission & Distribution   | \$ 827,604,641               | \$ 0                         |           | \$ 0                             | \$ 827,604,641                    |

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Plant In Service

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Total Company                |           | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(E)<br>(G) |
|------|---------|----------------------------------|------------------------------|------------------------------|-----------|----------------------------------|-----------------------------------|
|      |         |                                  |                              | Adjustments<br>Amount<br>(D) | No<br>(E) |                                  |                                   |
| 92   |         | Sewer Plant                      |                              |                              |           |                                  |                                   |
| 93   | 351     | Structures & Improvements        | \$ 44,004                    | \$ 0                         | P-80      | \$ 0                             | \$ 44,004                         |
| 94   | 352.1   | Collection Sewers Forced         | 13,401                       | 0                            | P-81      | 0                                | 13,401                            |
| 95   | 352.2   | Collecting Mains                 | 446,412                      | 0                            | P-82      | 0                                | 446,412                           |
| 96   | 352.2   | Collecting Mains Other           | 70,768                       | 0                            | P-83      | 0                                | 70,768                            |
| 97   | 353     | Service to Customers             | 49,429                       | 0                            | P-84      | 0                                | 49,429                            |
| 98   | 363     | Electric Pumping Equipment       | 12,173                       | 0                            | P-85      | 0                                | 12,173                            |
| 99   | 370.1   | Land & Land Rights               | 9,300                        | 0                            | P-86      | 0                                | 9,300                             |
| 100  | 372     | T&D Equipment                    | 865,495                      | 0                            | P-87      | 0                                | 865,495                           |
| 101  | 372     | T&D Equipment Influent Lift      | 151,845                      | 0                            | P-88      | 0                                | 151,845                           |
| 102  | 374     | Outfall Sewer Lines              | 33,433                       | 0                            | P-89      | 0                                | 33,433                            |
| 103  |         | Total Sewer Plant                | \$ 1,696,260                 | \$ 0                         |           | \$ 0                             | \$ 1,696,260                      |
| 104  |         | General Plant                    |                              |                              |           |                                  |                                   |
| 105  | 389     | Land & Land Rights               | \$ 20,431                    | \$ 0                         | P-90      | \$ 0                             | \$ 20,431                         |
| 106  | 390     | S&I-Store, Shop & Garage         | 600,046                      | 0                            | P-91      | 0                                | 600,046                           |
| 107  | 390.1   | S & I-Offices                    | 905,852                      | 0                            | P-92      | 0                                | 905,852                           |
| 108  | 390.1   | S & I-Leasehold                  | 5,796                        | 0                            | P-93      | 0                                | 5,796                             |
| 109  | 390.1   | S & I-Leasehold - SCADA          | 339,728                      | 0                            | P-94      | 0                                | 339,728                           |
| 110  | 390.3   | S&I-Misc                         | 3,695,334                    | 0                            | P-95      | 0                                | 3,695,334                         |
| 111  | 391     | Office Furniture and Equipment   | 8,199,730                    | (6,489,353)                  | P-96      | 756,081                          | 2,466,458                         |
| 112  | 391.2   | Computers & Peripheral Equipment | 3,315,582                    | 0                            | P-97      | 2,317,835                        | 5,633,417                         |
| 113  | 391.25  | Computer Software                | 2,727,516                    | 0                            | P-98      | 6,097,057                        | 8,824,573                         |
| 114  | 391.26  | Computer Software Personal       | 133,438                      | 0                            | P-99      | 118,229                          | 251,667                           |
| 115  | 391.3   | Data Handling Equipment          | 342,896                      | 0                            | P-100     | 0                                | 342,896                           |
| 116  | 391.3   | Other Office Equipment           | 425,269                      | 0                            | P-101     | 14,253                           | 439,522                           |
| 117  | 392.11  | Trans Equipment-Lt Duty Trucks   | 745,616                      | 0                            | P-102     | 40,649                           | 786,265                           |
| 118  | 392.12  | Trans Equipment-Hvy Duty Trucks  | 4,163,904                    | 0                            | P-103     | 0                                | 4,163,904                         |
| 119  | 392.2   | Trans Equipment-Autos            | 388,346                      | 0                            | P-104     | 150,172                          | 538,518                           |
| 120  | 392.3   | Trans Equipment Other            | 78,242                       | 0                            | P-105     | 0                                | 78,242                            |
| 121  | 393     | Stores Equipment                 | 333,911                      | 0                            | P-106     | 0                                | 333,911                           |
| 122  | 394     | Tools, Shop & Garage Equipment   | 2,768,244                    | 0                            | P-107     | 16,591                           | 2,784,835                         |
| 123  | 394     | Tools, Shop & Garage Equip Other | 3,934,335                    | 0                            | P-108     | 0                                | 3,934,335                         |
| 124  | 395     | Laboratory Equipment             | 1,744,429                    | 0                            | P-109     | 0                                | 1,744,429                         |
| 125  | 395     | Laboratory Equipment Other       | 285,859                      | 0                            | P-110     | 0                                | 285,859                           |
| 126  | 396     | Power Operated Equipment         | 1,226,159                    | 0                            | P-111     | 0                                | 1,226,159                         |
| 127  | 397     | Comm Equipment-Non-Tele          | 1,339,917                    | 0                            | P-112     | 2,252                            | 1,342,169                         |
| 128  | 397.2   | Comm Equipment-Tele              | 98,289                       | 0                            | P-113     | 35,107                           | 133,396                           |
| 129  | 398     | Miscellaneous                    | 1,804,208                    | 0                            | P-114     | 10,859                           | 1,815,067                         |
| 130  | 399     | Other Tangible Property          | 927,075                      | 0                            | P-115     | 0                                | 927,075                           |
| 131  |         | Total General Plant              | \$ 40,550,152                | \$ (6,489,353)               |           | \$ 9,559,085                     | \$ 43,619,884                     |
| 132  |         | Total Plant In Service           | \$ 1,123,049,959             | \$ (6,839,353)               |           | \$ 10,025,685                    | \$ 1,126,236,291                  |

Missouri-American Water Company  
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**Adjustments To Plant In Service**

| Adjmt<br>No | Description   |      |  | Total Company        |                     |
|-------------|---|------|--|----------------------|---------------------|
|             |   |      |  | Adjustment<br>Amount | Total<br>Adjustment |
| A/C 301     | Organization  | P-1  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 302     | Franchise & Consents  | P-2  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 303     | Miscellaneous Intangible  | P-3  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 310     | Land & Land Rights  | P-4  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 311     | Structures & Improvements   | P-5  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 312     | Collecting & Impounding Res   | P-6  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 313     | Lake, River & Other Intakes   | P-7  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 314     | Wells & Springs   | P-8  |  | \$                   | (350,000)           |
| 1           | To Disallow Investment of Elevated Storage Tank for Future Growth (Merceil) |      |  | \$ (350,000)         |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 315     | Infiltration Galleries & Tunnels  | P-9  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 316     | Supply Mains  | P-9  |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |
| A/C 316     | Supply Mains-North Plant  | P-10 |  | \$                   | 0                   |
| 1           |   |      |  | \$ 0                 |                     |
| 2           |   |      |  | 0                    |                     |

Missouri-American Water Company  
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**Adjustments To Plant In Service**

| Adjmt<br>No. | Description                                   |      |  | Total Company        |                     |
|--------------|---|------|--|----------------------|---------------------|
|              |   |      |  | Adjustment<br>Amount | Total<br>Adjustment |
| A/C 372      | T&D Equipment                                 | P-87 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 372.0    | T&D Equipment Influent Lift                   | P-88 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 374      | Outfall Sewer Lines                           | P-89 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 389.1    | Land & Land Rights                            | P-90 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 390      | S&I-Store, Shop & Garage                      | P-91 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 390.1    | S & I-Offices                                 | P-92 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 390.1    | S & I-Leasehold                               | P-93 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 390.1    | S & I-Leasehold - SCADA                       | P-94 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 390.3    | S&I-Misc                                      | P-95 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |
| A/C 391      | Office Furniture and Equipment                | P-96 |  | \$                   | (6,489,353)         |
| 1            | To Capitalize Cost                            |      |  | \$                   | 0                   |
| 2            | To Remove Transition Cost - SSU               |      |  |                      | (4,488,827)         |
| 3            | To Remove Transition Cost - Alton Call Center |      |  |                      | (2,000,526)         |
| 4            |   |      |  |                      |                     |
| A/C 391.2    | Computers & Peripheral Equipment              | P-97 |  | \$                   | 0                   |
| 1            |   |      |  | \$                   | 0                   |
| 2            |   |      |  |                      | 0                   |

Missouri-American Water Company  
Case No. WR-2007-0216  
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**Depreciation Reserve**

| Line | A/C<br>No | Plant Title                      | Balance<br>12/31/2006 | Total Company |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|-----------|----------------------------------|-----------------------|---------------|------|---------------------------|----------------------------|
|      |           |                                  |                       | Amount        | No.  |                           |                            |
|      | (A)       | (B)                              | (C)                   | (D)           | (E)  | (F)                       | (G)                        |
| 1    |           | Intangible                       |                       |               |      |                           |                            |
| 2    | 301       | Organization                     | \$ (25,007)           | \$ 0          | R-1  | \$ 0                      | \$ (25,007)                |
| 3    | 302       | Franchise & Consents             | 0                     | 0             | R-2  | 0                         | 0                          |
| 4    | 303       | Miscellaneous Intangible         | 306,586               | 0             | R-3  | 341,659                   | 648,245                    |
| 5    |           | Total Intangible                 | \$ 281,579            | \$ 0          |      | \$ 341,659                | \$ 623,238                 |
| 6    |           | Source of Supply                 |                       |               |      |                           |                            |
| 7    | 310       | Land & Land Rights               | \$ 0                  | \$ 0          | R-4  | \$ 0                      | \$ 0                       |
| 8    | 311       | Structures & Improvements        | 3,024,015             | 0             | R-5  | 0                         | 3,024,015                  |
| 9    | 312       | Collecting & Impounding Res      | 82,977                | 0             | R-6  | 0                         | 82,977                     |
| 10   | 313       | Lake, River & Other Intakes      | (594,244)             | 0             | R-7  | 0                         | (594,244)                  |
| 11   | 314       | Wells & Springs                  | 940,484               | 0             | R-8  | 0                         | 940,484                    |
| 12   | 315       | Infiltration Galleries & Tunnels | 0                     | 0             | R-9  | 0                         | 0                          |
| 13   | 316       | Supply Mains                     | 1,432,221             | 0             | R-9  | 0                         | 1,432,221                  |
| 14   | 316       | Supply Mains-North Plant         | 163,802               | 0             | R-10 | 0                         | 163,802                    |
| 15   | 316       | Supply Mains-Central Plant       | 1,877,888             | 0             | R-11 | 0                         | 1,877,888                  |
| 16   | 316       | Supply Mains-South Plant         | 326,233               | 0             | R-12 | 0                         | 326,233                    |
| 17   | 316       | Supply Mains-Meramec Plant       | 684,894               | 0             | R-13 | 0                         | 684,894                    |
| 18   | 317       | Other Source of Supply Plant     | 0                     | 0             | R-14 | 0                         | 0                          |
| 19   |           | Total Source of Supply           | \$ 7,938,270          | \$ 0          |      | \$ 0                      | \$ 7,938,270               |
| 20   |           | Pumping                          |                       |               |      |                           |                            |
| 21   | 320       | Land & Land Rights               | \$ 0                  | \$ 0          | R-15 | \$ 0                      | \$ 0                       |
| 22   | 321       | S & I-Plant                      | 900,357               | 0             | R-16 | 0                         | 900,357                    |
| 23   | 321.1     | S & I-Pumps (STL)                | 2,429,373             | 0             | R-17 | 0                         | 2,429,373                  |
| 24   | 321.2     | S & I-Boosters                   | 775,506               | 0             | R-18 | 0                         | 775,506                    |
| 25   | 322       | Boiler Equipment                 | 0                     | 0             | R-19 | 0                         | 0                          |
| 26   | 323       | Other Power Prod. Equip.         | 68,518                | 0             | R-20 | 0                         | 68,518                     |
| 27   | 324       | Steam Pumping Equipment          | 0                     | 0             | R-21 | 0                         | 0                          |
| 28   | 325.1     | Electric Pumping Equipment       | 2,519,381             | 0             | R-22 | 0                         | 2,519,381                  |
| 29   | 325.2     | Pumping Equipment-Pre '46        | 19,627                | 0             | R-23 | 0                         | 19,627                     |
| 30   | 325.3     | Pumping Equipment-Post '46       | 12,754,971            | 0             | R-24 | 0                         | 12,754,971                 |
| 31   | 325       | Pumping Equipment-Booster        | 1,734,431             | 0             | R-25 | 0                         | 1,734,431                  |
| 32   | 326       | Diesel Pumping Equipment         | 30,680                | 0             | R-26 | 0                         | 30,680                     |
| 33   | 326       | Dsl Pump Equip-Stratman          | 16,837                | 0             | R-27 | 0                         | 16,837                     |
| 34   | 326       | Dsl Pump Equip-Central Plant     | 1,209,035             | 0             | R-28 | 0                         | 1,209,035                  |
| 35   | 327       | Pump Equip Hydraulic             | 0                     | 0             | R-29 | 0                         | 0                          |
| 36   | 328       | Other Pumping Equipment          | 131,752               | 0             | R-30 | 0                         | 131,752                    |
| 37   |           | Total Pumping                    | \$ 22,590,468         | \$ 0          |      | \$ 0                      | \$ 22,590,468              |
| 38   |           | Water Treatment Plant            |                       |               |      |                           |                            |
| 39   | 330       | Land & Land Rights               | \$ 0                  | \$ 0          | R-31 | \$ 0                      | \$ 0                       |
| 40   | 331       | Structures & Improvements        | 4,706,817             | 0             | R-32 | 0                         | 4,706,817                  |
| 41   | 331       | S & I - North Plant              | 2,312,100             | 0             | R-33 | 0                         | 2,312,100                  |
| 42   | 331       | S & I-Central 1 & 2              | 2,152,626             | 0             | R-34 | 0                         | 2,152,626                  |
| 43   | 331       | S & I-Central 3                  | 10,173,666            | 0             | R-35 | 0                         | 10,173,666                 |
| 44   | 331       | S & I-South Plant                | 1,240,837             | 0             | R-36 | 0                         | 1,240,837                  |
| 45   | 331       | S & I-Meramac                    | 4,056,295             | 0             | R-37 | 0                         | 4,056,295                  |
| 46   | 332       | WT Equip Non-Media               | 8,265,286             | 0             | R-38 | 0                         | 8,265,286                  |
| 47   | 332       | WT Equip-North Plant             | 3,794,263             | 0             | R-39 | 0                         | 3,794,263                  |

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**Depreciation Reserve**

| Total Company |                |                                     |                              |               |           |                                  |                                   |
|---------------|----------------|-------------------------------------|------------------------------|---------------|-----------|----------------------------------|-----------------------------------|
| Line          | A/C No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments   |           | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|               |                |                                     |                              | Amount<br>(D) | No<br>(E) |                                  |                                   |
| 48            | 332            | WT Equip-Central 1 & 2              | 2,208,159                    | 0             | R-40      | 0                                | 2,208,159                         |
| 49            | 332            | WT Equip-Central 3                  | 9,354,009                    | 0             | R-41      | 0                                | 9,354,009                         |
| 50            | 332            | WT Equip-South Plant                | 1,959,452                    | 0             | R-42      | 0                                | 1,959,452                         |
| 51            | 332            | WT Equip-Meramac                    | 4,291,035                    | 0             | R-43      | 0                                | 4,291,035                         |
| 52            | 332            | Other P/E Hand Equipment            | 79,969                       | 0             | R-44      | 0                                | 79,969                            |
| 53            | 332.4          | Equipment Filter Media              | 16,370                       | 0             | R-45      | 0                                | 16,370                            |
| 54            |                | Total Water Treatment Plant         | \$ 54,610,884                | \$ 0          |           | \$ 0                             | \$ 54,610,884                     |
| 55            |                | Transmission & Distribution         |                              |               |           |                                  |                                   |
| 56            | 340            | Land & Land Rights                  | \$ (741,641)                 | \$ 0          | R-46      | \$ 0                             | \$ (741,641)                      |
| 57            | 341            | Structures & Improvements           | 2,782,623                    | 0             | R-47      | 0                                | 2,782,623                         |
| 58            | 341.63         | S & I-Spec Cross                    | 322,127                      | 0             | R-48      | 0                                | 322,127                           |
| 59            | 342            | Distr. Res. & Standpipes            | 2,646,035                    | 0             | R-49      | 0                                | 2,646,035                         |
| 60            | 342            | Rsvr & Standpipe-Elev               | 997,489                      | 0             | R-50      | 0                                | 997,489                           |
| 61            | 342            | Rsvr & Standpipe-Ground             | 4,865,202                    | 0             | R-51      | 0                                | 4,865,202                         |
| 62            | 343            | T & D Mains (Not Classified)        | 19,013,899                   | 0             | R-52      | 0                                | 19,013,899                        |
| 63            | 343.1          | T & D Mains - 4" & Less             | 41,733                       | 0             | R-53      | 0                                | 41,733                            |
| 64            | 343.1          | T & D Mains AC 4 (STL)              | 973,612                      | 0             | R-54      | 0                                | 973,612                           |
| 65            | 343.1          | T & D Mains Galv I (STL)            | 98,766                       | 0             | R-55      | 0                                | 98,766                            |
| 66            | 343.2          | T & D Mains - 6" to 8"              | 1,565,572                    | 0             | R-56      | 0                                | 1,565,572                         |
| 67            | 343.2          | CI-10" & Smaller-1900-1928          | 1,401,155                    | 0             | R-57      | 0                                | 1,401,155                         |
| 68            | 343.2          | CI-10" & Smaller 1929-1956          | 13,385,805                   | 0             | R-58      | 0                                | 13,385,805                        |
| 69            | 343.2          | CI-10" & Smaller-1957-1993          | 32,094,764                   | 0             | R-59      | 0                                | 32,094,764                        |
| 70            | 343.2          | T & D Mains - DI 6-8 (STL)          | 33,842,986                   | 0             | R-60      | 0                                | 33,842,986                        |
| 71            | 343.2          | T & D Mains - DI 6-10" (TN)         | 4,816                        | 0             | R-61      | 0                                | 4,816                             |
| 72            | 343.2          | T & D Mains - PL 6-8" (STL)         | 43,242                       | 0             | R-62      | 0                                | 43,242                            |
| 73            | 343.3          | T & D Mains - 10" to 16"            | 1,819,214                    | 0             | R-63      | 0                                | 1,819,214                         |
| 74            | 343.3          | T & D Mains - 18" & Greater         | 692,566                      | 0             | R-64      | 0                                | 692,566                           |
| 75            | 343.3          | CI-12" (STL)                        | 5,374,164                    | 0             | R-65      | 0                                | 5,374,164                         |
| 76            | 343.3          | CI-16" (STL)                        | 9,277,824                    | 0             | R-66      | 0                                | 9,277,824                         |
| 77            | 343.3          | T & D Mains - DI 12 (STL)           | 9,116,906                    | 0             | R-66      | 0                                | 9,116,906                         |
| 78            | 343.3          | T & D Mains - DI 16 & Greater (STL) | 15,046,558                   | 0             | R-67      | 0                                | 15,046,558                        |
| 79            | 343.3          | T & D Mains - IJ 20 (STL)           | 1,631,683                    | 0             | R-68      | 0                                | 1,631,683                         |
| 80            | 343.3          | T & D Mains - PL 12 (STL)           | 14,185                       | 0             | R-69      | 0                                | 14,185                            |
| 81            | 344            | Fire Mains                          | 75,208                       | 0             | R-70      | 0                                | 75,208                            |
| 82            | 345            | Services                            | 5,169,306                    | 0             | R-71      | 0                                | 5,169,306                         |
| 83            | 346.1          | Meters-Bronze Case                  | 67,667                       | 0             | R-72      | 0                                | 67,667                            |
| 84            | 346.2          | Meters-Plastic Case                 | 7,927                        | 0             | R-73      | 0                                | 7,927                             |
| 85            | 346.3          | Meters-Other                        | 7,346,309                    | 0             | R-74      | 0                                | 7,346,309                         |
| 86            | 346.3          | Meters-Remote (ARB's)               | 1,740,073                    | 0             | R-75      | 0                                | 1,740,073                         |
| 87            | 347.1          | Meter Install                       | 3,610,136                    | 0             | R-76      | 0                                | 3,610,136                         |
| 88            | 347.2          | Meter Install-Other                 | 3,884,965                    | 0             | R-77      | 0                                | 3,884,965                         |
| 89            | 348            | Hydrants                            | 15,104,420                   | 0             | R-78      | 0                                | 15,104,420                        |
| 90            | 349            | Other T&D Plant                     | 7,857                        | 0             | R-79      | 0                                | 7,857                             |
| 91            |                | Total Transmission & Distribution   | \$ 193,325,153               | \$ 0          |           | \$ 0                             | \$ 193,325,153                    |

Missouri-American Water Company  
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**Depreciation Reserve**

| Line | A/C No. | Plant Title                       | Balance<br>12/31/2006 | Total Company       |       | Corporate<br>Distribution | As Adjusted<br>(C)+(D)-(F) |
|------|---------|-----------------------------------|-----------------------|---------------------|-------|---------------------------|----------------------------|
|      |         |                                   |                       | Amount              | No.   |                           |                            |
|      | (A)     | (B)                               | (C)                   | (D)                 | (E)   | (F)                       | (G)                        |
| 92   |         | Sewer Plant                       |                       |                     |       |                           |                            |
| 93   | 351.0   | Structures & Improvements         | \$ 8,235              | \$ 0                | R-80  | \$ 0                      | \$ 8,235                   |
| 94   | 352.1   | Collection Sewers Forced          | 7,712                 | 0                   | R-81  | 0                         | 7,712                      |
| 95   | 352.2   | Collecting Mains                  | 130,367               | 0                   | R-82  | 0                         | 130,367                    |
| 96   | 352.2   | Collecting Mains Other            | 30,528                | 0                   | R-83  | 0                         | 30,528                     |
| 97   | 353.0   | Service to Customers              | 32,912                | 0                   | R-84  | 0                         | 32,912                     |
| 98   | 363.0   | Electric Pumping Equipment        | 6,434                 | 0                   | R-85  | 0                         | 6,434                      |
| 99   | 370.1   | Land & Land Rights                | 2,543                 | 0                   | R-86  | 0                         | 2,543                      |
| 100  | 372     | T&D Equipment                     | 192,410               | 0                   | R-87  | 0                         | 192,410                    |
| 101  | 372.0   | T&D Equipment Influent Lift       | 19,730                | 0                   | R-88  | 0                         | 19,730                     |
| 102  | 374     | Outfall Sewer Lines               | 5,836                 | 0                   | R-89  | 0                         | 5,836                      |
| 103  |         | Total Sewer Plant                 | \$ 436,707            | \$ 0                |       | \$ 0                      | \$ 436,707                 |
| 104  |         | General Plant                     |                       |                     |       |                           |                            |
| 105  | 389     | Land & Land Rights                | \$ 0                  | \$ 0                | R-90  | \$ 0                      | \$ 0                       |
| 106  | 390     | S&I-Store, Shop & Garage          | 43,016                | 0                   | R-91  | 0                         | 43,016                     |
| 107  | 390.1   | S & I-Offices                     | 237,568               | 0                   | R-92  | (161,071)                 | 76,497                     |
| 108  | 390.1   | S & I-Leasehold                   | (54,392)              | 0                   | R-93  | 0                         | (54,392)                   |
| 109  | 390.1   | S & I-Leasehold - SCADA           | 238,120               | 0                   | R-94  | 0                         | 238,120                    |
| 110  | 390.3   | S&I-Misc                          | 1,112,687             | 0                   | R-95  | 0                         | 1,112,687                  |
| 111  | 391     | Office Furniture and Equipment    | 2,185,102             | (914,350)           | R-96  | (22,084)                  | 1,248,668                  |
| 112  | 391.2   | Computers & Peripheral Equipment  | 398,659               | 0                   | R-97  | 120,171                   | 518,830                    |
| 113  | 391.25  | Computer Software                 | 512,890               | 0                   | R-98  | 2,600,943                 | 3,113,833                  |
| 114  | 391.26  | Computer Software Personal        | (5,831)               | 0                   | R-99  | 25,234                    | 19,403                     |
| 115  | 391.3   | Data Handling Equipment           | 52,012                | 0                   | R-100 | 0                         | 52,012                     |
| 116  | 391.3   | Other Office Equipment            | 114,774               | 0                   | R-101 | 8,937                     | 123,711                    |
| 117  | 392.11  | Trans Equipment-Lt Duty Trucks    | 1,334,582             | 0                   | R-102 | 62,301                    | 1,396,883                  |
| 118  | 392.12  | Trans Equipment-Hvy Duty Trucks   | 3,071,129             | 0                   | R-103 | 0                         | 3,071,129                  |
| 119  | 392.2   | Trans Equipment-Autos             | 524,665               | 0                   | R-104 | 122,262                   | 646,927                    |
| 120  | 392.3   | Trans Equipment Other             | 325,291               | 0                   | R-105 | 0                         | 325,291                    |
| 121  | 393     | Stores Equipment                  | (255,368)             | 0                   | R-106 | 0                         | (255,368)                  |
| 122  | 394     | Tools, Shop & Garage Equipment    | 1,365,249             | 0                   | R-107 | 5,239                     | 1,370,488                  |
| 123  | 394     | Tools, Shop & Garage Equip Other  | 1,982,038             | 0                   | R-108 | 0                         | 1,982,038                  |
| 124  | 395     | Laboratory Equipment              | 722,287               | 0                   | R-109 | 0                         | 722,287                    |
| 125  | 395     | Laboratory Equipment Other        | 197,485               | 0                   | R-110 | 0                         | 197,485                    |
| 126  | 396     | Power Operated Equipment          | 869,865               | 0                   | R-111 | 0                         | 869,865                    |
| 127  | 397     | Comm Equipment-Non-Tele           | 658,093               | 0                   | R-112 | 11,417                    | 669,510                    |
| 128  | 397.2   | Comm Equipment-Tele               | 87,059                | 0                   | R-113 | 14,175                    | 101,234                    |
| 129  | 398     | Miscellaneous                     | 261,315               | 0                   | R-114 | 3,124                     | 264,439                    |
| 130  | 399     | Other Tangible Property           | 244,280               | 0                   | R-115 | 0                         | 244,280                    |
| 131  |         | Total General Plant               | \$ 16,222,575         | \$ (914,350)        |       | \$ 2,790,648              | \$ 18,098,873              |
| 132  |         | Not Classified                    | 9,600                 | 0                   | R-116 | 0                         | 9,600                      |
| 133  |         | <b>Total Depreciation Reserve</b> | <b>\$ 295,415,236</b> | <b>\$ (914,350)</b> |       | <b>\$ 3,132,307</b>       | <b>\$ 297,633,193</b>      |



## Missouri-American Water Company

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## Adjustments To Reserve

| Adjmt<br>No. | Description                          |       |  | Total Company        |                     |
|--------------|--------------------------------------|-------|--|----------------------|---------------------|
|              |                                      |       |  | Adjustment<br>Amount | Total<br>Adjustment |
| A/C 390.3    | S&I-Misc                             | R-95  |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 391      | Office Furniture and Equipment       | R-96  |  | \$                   | (914,350)           |
| 1            | To Remove Transition Cost - SSU      |       |  | \$ (632,476)         |                     |
| 2            | To Remove Transition Cost - Alton CC |       |  | (281,874)            |                     |
| 3            | To Adjust for Capitalized Cost       |       |  | 0                    |                     |
| 4            |                                      |       |  |                      |                     |
| A/C 391.2    | Computers & Peripheral Equipment     | R-97  |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 391.25   | Computer Software                    | R-98  |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 391.26   | Computer Software Personal           | R-99  |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 391.3    | Data Handling Equipment              | R-100 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 391.3    | Other Office Equipment               | R-101 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 392.11   | Trans Equipment-Lt Duty Trucks       | R-102 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 392.12   | Trans Equipment-Hvy Duty Trucks      | R-103 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 392.2    | Trans Equipment-Autos                | R-104 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 392.3    | Trans Equipment-Other                | R-105 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |
| 2            |                                      |       |  | 0                    |                     |
| A/C 393      | Stores Equipment                     | R-106 |  | \$                   | 0                   |
| 1            |                                      |       |  | \$ 0                 |                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

| Line | A/C No. | Plant Title                      | Total Company       |                             |                                |                                     |
|------|---------|----------------------------------|---------------------|-----------------------------|--------------------------------|-------------------------------------|
|      |         |                                  | Total Company Plant | Composite Depreciation Rate | District Specific Depreciation | Corporate Depreciation Distribution |
|      | (A)     | (B)                              | (C)                 | (D)                         | (E)                            | (F)                                 |
| 1    |         | Intangible                       |                     |                             |                                |                                     |
| 2    | 301     | Organization                     | \$ 179,146          | 0.00%                       | \$ 0                           | \$ 0                                |
| 3    | 302     | Franchise & Consents             | 39,650              | 0.00%                       | 0                              | 0                                   |
| 4    | 303     | Miscellaneous Intangible         | 340,285             | 0.00%                       | 0                              | 0                                   |
| 5    |         | Total Intangible                 | \$ 559,081          |                             | \$ 0                           | \$ 0                                |
| 6    |         | Source of Supply                 |                     |                             |                                |                                     |
| 7    | 310     | Land & Land Rights               | \$ 1,707,294        | 0.00%                       | \$ 0                           | \$ 0                                |
| 8    | 311     | Structures & Improvements        | 10,604,137          | 2.45%                       | 259,801                        | 0                                   |
| 9    | 312     | Collecting & Impounding Res      | 111,066             | 1.25%                       | 1,388                          | 0                                   |
| 10   | 313     | Lake, River & Other Intakes      | 447,399             | 1.77%                       | 7,919                          | 0                                   |
| 11   | 314     | Wells & Springs                  | 6,309,423           | 1.67%                       | 105,367                        | 0                                   |
| 12   | 315     | Infiltration Galleries & Tunnels | 1,804               | 1.67%                       | 30                             | 0                                   |
| 13   | 316     | Supply Mains                     | 10,960,950          | 1.60%                       | 175,375                        | 0                                   |
| 14   | 316     | Supply Mains-North Plant         | 245,687             | 1.60%                       | 3,931                          | 0                                   |
| 15   | 316     | Supply Mains-Central Plant       | 3,929,522           | 1.60%                       | 62,872                         | 0                                   |
| 16   | 316     | Supply Mains-South Plant         | 337,448             | 1.60%                       | 5,399                          | 0                                   |
| 17   | 316     | Supply Mains-Meramec Plant       | 1,313,864           | 1.60%                       | 21,022                         | 0                                   |
| 18   | 317     | Other Source of Supply Plant     | 1,730               | 4.00%                       | 69                             | 0                                   |
| 19   |         | Total Source of Supply           | \$ 35,970,324       |                             | \$ 643,175                     | \$ 0                                |
| 20   |         | Pumping                          |                     |                             |                                |                                     |
| 21   | 320     | Land & Land Rights               | \$ 367,015          | 0.00%                       | \$ 0                           | \$ 0                                |
| 22   | 321     | S & I-Plant                      | 7,919,481           | 1.73%                       | 137,007                        | 0                                   |
| 23   | 321.1   | S & I-Pumps (STL)                | 4,848,057           | 1.73%                       | 83,871                         | 0                                   |
| 24   | 321.2   | S & I-Boosters                   | 2,718,024           | 1.73%                       | 47,022                         | 0                                   |
| 25   | 322     | Boiler Equipment                 | 348                 | 2.00%                       | 7                              | 0                                   |
| 26   | 323     | Other Power Prod. Equip.         | 332,106             | 2.00%                       | 6,642                          | 0                                   |
| 27   | 324     | Steam Pumping Equipment          | 6,907               | 0.00%                       | 0                              | 0                                   |
| 28   | 325.1   | Electric Pumping Equipment       | 13,777,899          | 2.44%                       | 336,181                        | 0                                   |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 874,158             | 2.44%                       | 21,329                         | 0                                   |
| 30   | 325.3   | Pumping Equipment-Post '46       | 25,323,220          | 2.44%                       | 617,887                        | 0                                   |
| 31   | 325     | Pumping Equipment-Booster        | 1,493,074           | 2.44%                       | 36,431                         | 0                                   |
| 32   | 326     | Diesel Pumping Equipment         | 145,006             | 2.44%                       | 3,538                          | 0                                   |
| 33   | 326     | Dsl Pump Equip-Stratman          | 207,946             | 2.44%                       | 5,074                          | 0                                   |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 1,698,803           | 2.44%                       | 41,451                         | 0                                   |
| 35   | 327     | Pump Equip Hydraulic             | 81,548              | 2.44%                       | 1,990                          | 0                                   |
| 36   | 328     | Other Pumping Equipment          | 501,764             | 2.44%                       | 12,243                         | 0                                   |
| 37   |         | Total Pumping                    | \$ 60,295,356       |                             | \$ 1,350,673                   | \$ 0                                |
| 38   |         | Water Treatment Plant            |                     |                             |                                |                                     |
| 39   | 330     | Land & Land Rights               | \$ 1,455,587        | 0.00%                       | \$ 0                           | \$ 0                                |
| 40   | 331     | Structures & Improvements        | 33,406,424          | 1.63%                       | 544,525                        | 0                                   |
| 41   | 331     | S & I - North Plant              | 5,897,100           | 1.63%                       | 96,123                         | 0                                   |
| 42   | 331     | S & I-Central 1 & 2              | 2,679,748           | 1.63%                       | 43,680                         | 0                                   |
| 43   | 331     | S & I-Central 3                  | 21,452,569          | 1.63%                       | 349,677                        | 0                                   |
| 44   | 331     | S & I-South Plant                | 2,375,351           | 1.63%                       | 38,718                         | 0                                   |
| 45   | 331     | S & I-Meramac                    | 9,171,169           | 1.63%                       | 149,490                        | 0                                   |
| 46   | 332     | WT Equip Non-Media               | 36,268,103          | 2.78%                       | 1,008,253                      | 0                                   |
| 47   | 332     | WT Equip-North Plant             | 7,179,235           | 2.78%                       | 199,583                        | 0                                   |
| 48   | 332     | WT Equip-Central 1 & 2           | 2,256,219           | 2.78%                       | 62,723                         | 0                                   |
| 49   | 332     | WT Equip-Central 3               | 21,805,467          | 2.78%                       | 606,192                        | 0                                   |
| 50   | 332     | WT Equip-South Plant             | 2,628,630           | 2.78%                       | 73,076                         | 0                                   |
| 51   | 332     | WT Equip-Meramac                 | 7,355,932           | 2.78%                       | 204,495                        | 0                                   |
| 52   | 332     | Other P/E Hand Equipment         | 1,481,666           | 3.33%                       | 49,339                         | 0                                   |
| 53   | 332.4   | Equipment Filter Media           | 1,077,545           | 2.78%                       | 29,956                         | 0                                   |
| 54   |         | Total Water Treatment Plant      | \$ 156,490,745      |                             | \$ 3,455,829                   | \$ 0                                |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

Total Company

| Line | A/C No. | Plant Title                         | Total Company Plant | Composite Depreciation Rate | District Specific Depreciation | Corporate Depreciation Distribution | Total Company Depreciation |
|------|---------|-------------------------------------|---------------------|-----------------------------|--------------------------------|-------------------------------------|----------------------------|
|      | (A)     | (B)                                 | (C)                 | (D)                         | (E)                            | (F)                                 | (G)                        |
| 55   |         | Transmission & Distribution         |                     |                             |                                |                                     |                            |
| 56   | 340     | Land & Land Rights                  | \$ 4,728,291        | 0.00%                       | \$ 0                           | \$ 0                                | \$ 0                       |
| 57   | 341     | Structures & Improvements           | 6,974,157           | 2.67%                       | 186,210                        | 0                                   | 186,210                    |
| 58   | 341.63  | S & I-Spec Cross                    | 267,357             | 0.00%                       | 0                              | 0                                   | 0                          |
| 59   | 342     | Distr. Res. & Standpipes            | 7,603,095           | 2.25%                       | 171,070                        | 0                                   | 171,070                    |
| 60   | 342     | Rsvr & Standpipe-Elev               | 5,869,922           | 2.25%                       | 132,073                        | 0                                   | 132,073                    |
| 61   | 342     | Rsvr & Standpipe-Ground             | 10,591,293          | 2.25%                       | 238,304                        | 0                                   | 238,304                    |
| 62   | 343     | T & D Mains (Not Classified)        | 33,101,975          | 1.50%                       | 496,530                        | 0                                   | 496,530                    |
| 63   | 343.1   | T & D Mains - 4" & Less             | 4,024,296           | 1.50%                       | 60,364                         | 0                                   | 60,364                     |
| 64   | 343.1   | T & D Mains AC 4 (STL)              | 2,827,541           | 1.50%                       | 42,413                         | 0                                   | 42,413                     |
| 65   | 343.1   | T & D Mains Galv 1 (STL)            | 50,188              | 1.50%                       | 753                            | 0                                   | 753                        |
| 66   | 343.2   | T & D Mains - 6" to 8"              | 43,385,008          | 1.50%                       | 650,775                        | 0                                   | 650,775                    |
| 67   | 343.2   | CI-10" & Smaller-1900-1928          | 2,800,809           | 1.50%                       | 42,012                         | 0                                   | 42,012                     |
| 68   | 343.2   | CI-10" & Smaller 1929-1956          | 17,273,037          | 1.50%                       | 259,096                        | 0                                   | 259,096                    |
| 69   | 343.2   | CI-10" & Smaller-1957-1993          | 53,099,538          | 1.50%                       | 796,493                        | 0                                   | 796,493                    |
| 70   | 343.2   | T & D Mains - DI 6-8 (STL)          | 242,693,826         | 1.50%                       | 3,640,407                      | 0                                   | 3,640,407                  |
| 71   | 343.2   | T & D Mains - DI 6-10" (TN)         | 7,101               | 1.50%                       | 107                            | 0                                   | 107                        |
| 72   | 343.2   | T & D Mains - PL 6-8" (STL)         | 666,787             | 1.50%                       | 10,002                         | 0                                   | 10,002                     |
| 73   | 343.3   | T & D Mains - 10" to 16"            | 46,077,117          | 1.50%                       | 691,157                        | 0                                   | 691,157                    |
| 74   | 343.3   | T & D Mains - 18" & Greater         | 13,651,081          | 1.50%                       | 204,766                        | 0                                   | 204,766                    |
| 75   | 343.3   | CI-12" (STL)                        | 13,026,543          | 1.50%                       | 195,398                        | 0                                   | 195,398                    |
| 76   | 343.3   | CI-16" (STL)                        | 19,124,068          | 1.50%                       | 286,861                        | 0                                   | 286,861                    |
| 77   | 343.3   | T & D Mains - DI 12 (STL)           | 59,333,118          | 1.50%                       | 889,997                        | 0                                   | 889,997                    |
| 78   | 343.3   | T & D Mains - DI 16 & Greater (STL) | 106,941,041         | 1.50%                       | 1,604,116                      | 0                                   | 1,604,116                  |
| 79   | 343.3   | T & D Mains - LJ 20 (STL)           | 4,499,594           | 1.50%                       | 67,494                         | 0                                   | 67,494                     |
| 80   | 343.3   | T & D Mains - PL 12 (STL)           | 274,277             | 1.50%                       | 4,114                          | 0                                   | 4,114                      |
| 81   | 344     | Fire Mains                          | 529,359             | 1.50%                       | 7,940                          | 0                                   | 7,940                      |
| 82   | 345     | Services                            | 23,175,266          | 3.08%                       | 713,798                        | 0                                   | 713,798                    |
| 83   | 346.1   | Meters-Bronze Case                  | 5,656,199           | 2.43%                       | 137,446                        | 0                                   | 137,446                    |
| 84   | 346.2   | Meters-Plastic Case                 | 90,711              | 2.43%                       | 2,204                          | 0                                   | 2,204                      |
| 85   | 346.3   | Meters-Other                        | 20,627,427          | 2.43%                       | 501,246                        | 0                                   | 501,246                    |
| 86   | 346.3   | Meters-Remote (ARB's)               | 4,192,376           | 2.43%                       | 101,875                        | 0                                   | 101,875                    |
| 87   | 347.1   | Meter Install                       | 16,108,748          | 2.43%                       | 391,443                        | 0                                   | 391,443                    |
| 88   | 347.2   | Meter Install-Other                 | 9,622,440           | 2.43%                       | 233,825                        | 0                                   | 233,825                    |
| 89   | 348     | Hydrants                            | 48,675,649          | 1.92%                       | 934,572                        | 0                                   | 934,572                    |
| 90   | 349     | Other T&D Plant                     | 35,406              | 2.00%                       | 708                            | 0                                   | 708                        |
| 91   |         | Total Transmission & Distribution   | \$ 827,604,641      |                             | \$ 13,695,569                  | \$ 0                                | \$ 13,695,569              |
| 92   |         | Sewer Plant                         |                     |                             |                                |                                     |                            |
| 93   | 351.0   | Structures & Improvements           | \$ 44,004           | 2.50%                       | \$ 1,100                       | \$ 0                                | \$ 1,100                   |
| 94   | 352.1   | Collection Sewers Forced            | 13,401              | 2.00%                       | 268                            | 0                                   | 268                        |
| 95   | 352.2   | Collecting Mains                    | 446,412             | 2.00%                       | 8,928                          | 0                                   | 8,928                      |
| 96   | 352.2   | Collecting Mains Other              | 70,768              | 2.00%                       | 1,415                          | 0                                   | 1,415                      |
| 97   | 353.0   | Service to Customers                | 49,429              | 2.00%                       | 989                            | 0                                   | 989                        |
| 98   | 363.0   | Electric Pumping Equipment          | 12,173              | 10.00%                      | 1,217                          | 0                                   | 1,217                      |
| 99   | 370.1   | Land & Land Rights                  | 9,300               | 0.00%                       | 0                              | 0                                   | 0                          |
| 100  | 372     | T&D Equipment                       | 865,495             | 5.00%                       | 43,275                         | 0                                   | 43,275                     |
| 101  | 372.0   | T&D Equipment Influent Lift         | 151,845             | 5.00%                       | 7,592                          | 0                                   | 7,592                      |
| 102  | 374     | Outfall Sewer Lines                 | 33,433              | 2.00%                       | 669                            | 0                                   | 669                        |
| 103  |         | Total Sewer Plant                   | \$ 1,696,260        |                             | \$ 65,453                      | \$ 0                                | \$ 65,453                  |
| 104  |         | General Plant                       |                     |                             |                                |                                     |                            |
| 105  | 389     | Land & Land Rights                  | \$ 20,431           | 0.00%                       | \$ 0                           | \$ 0                                | \$ 0                       |
| 106  | 390     | S&I-Store, Shop & Garage            | 600,046             | 2.40%                       | 14,401                         | 0                                   | 14,401                     |
| 107  | 390.1   | S & I-Offices                       | 905,852             | 2.40%                       | 21,740                         | 0                                   | 21,740                     |
| 108  | 390.1   | S & I-Leasehold                     | 5,796               | 5.00%                       | 290                            | 0                                   | 290                        |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

| Line | A/C No. | Plant Title                      | Total Company       |                             |                                |                                     | Total Company Depreciation |
|------|---------|----------------------------------|---------------------|-----------------------------|--------------------------------|-------------------------------------|----------------------------|
|      |         |                                  | Total Company Plant | Composite Depreciation Rate | District Specific Depreciation | Corporate Depreciation Distribution |                            |
|      | (A)     | (B)                              | (C)                 | (D)                         | (E)                            | (F)                                 | (G)                        |
| 109  | 390.1   | S & I-Leasehold - SCADA          | 339,728             | 5.00%                       | 16,986                         | 0                                   | 16,986                     |
| 110  | 390.3   | S&I-Misc                         | 3,695,334           | 2.40%                       | 88,688                         | 0                                   | 88,688                     |
| 111  | 391     | Office Furniture and Equipment   | 2,466,458           | 4.00%                       | 68,415                         | 30,243                              | 98,658                     |
| 112  | 391.2   | Computers & Peripheral Equipment | 5,633,417           | 14.29%                      | 473,797                        | 331,219                             | 805,015                    |
| 113  | 391.25  | Computer Software                | 8,824,573           | 14.29%                      | 389,762                        | 871,269                             | 1,261,031                  |
| 114  | 391.26  | Computer Software Personal       | 251,667             | 14.29%                      | 19,068                         | 16,895                              | 35,963                     |
| 115  | 391.3   | Data Handling Equipment          | 342,896             | 6.67%                       | 22,871                         | 0                                   | 22,871                     |
| 116  | 391.3   | Other Office Equipment           | 439,522             | 6.67%                       | 28,365                         | 951                                 | 29,316                     |
| 117  | 392.11  | Trans Equipment-Lt Duty Trucks   | 786,265             | 0.00%                       | 0                              | 0                                   | 0                          |
| 118  | 392.12  | Trans Equipment-Hvy Duty Trucks  | 4,163,904           | 8.33%                       | 346,853                        | 0                                   | 346,853                    |
| 119  | 392.2   | Trans Equipment-Autos            | 538,518             | 0.00%                       | 0                              | 0                                   | 0                          |
| 120  | 392.3   | Trans Equipment Other            | 78,242              | 0.00%                       | 0                              | 0                                   | 0                          |
| 121  | 393     | Stores Equipment                 | 333,911             | 2.86%                       | 9,550                          | 0                                   | 9,550                      |
| 122  | 394     | Tools, Shop & Garage Equipment   | 2,784,835           | 5.00%                       | 138,412                        | 830                                 | 139,242                    |
| 123  | 394     | Tools, Shop & Garage Equip Other | 3,934,335           | 5.00%                       | 196,717                        | 0                                   | 196,717                    |
| 124  | 395     | Laboratory Equipment             | 1,744,429           | 4.00%                       | 69,777                         | 0                                   | 69,777                     |
| 125  | 395     | Laboratory Equipment Other       | 285,859             | 4.00%                       | 11,434                         | 0                                   | 11,434                     |
| 126  | 396     | Power Operated Equipment         | 1,226,159           | 6.82%                       | 83,624                         | 0                                   | 83,624                     |
| 127  | 397     | Comm Equipment-Non-Tele          | 1,342,169           | 5.00%                       | 66,996                         | 113                                 | 67,108                     |
| 128  | 397.2   | Comm Equipment-Tele              | 133,396             | 6.67%                       | 6,556                          | 2,342                               | 8,898                      |
| 129  | 398     | Miscellaneous                    | 1,815,067           | 5.00%                       | 90,210                         | 543                                 | 90,753                     |
| 130  | 399     | Other Tangible Property          | 927,075             | 5.00%                       | 46,354                         | 0                                   | 46,354                     |
| 131  |         | Total General Plant              | \$ 43,619,884       |                             | \$ 2,210,868                   | \$ 1,254,404                        | \$ 3,465,272               |
| 132  |         | Total Depreciation Expense       | \$ 1,126,236,291    |                             | \$ 21,421,567                  | \$ 1,254,404                        | \$ 22,675,971              |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Cash Working Capital

| Line | Description<br>(A)   | Total Company   |                                    |                       |                                  |  | Cash Working<br>Capital<br>Requirement<br>(Sum of Districts)<br>(G) |
|------|--|---|------------------------------------|-----------------------|----------------------------------|--|---|
|      |  | Adjusted Test<br>Year Expenses<br>(Sum of Districts)<br>(B) | Revenue<br>Lag<br>Composite<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(F)-(D)<br>(E) | Com-posite<br>Factor<br>(G)/(E)<br>(F) |   |
| 1    | Operation & Maintenance Expense  |   |                                    |                       |                                  |  |   |
| 2    | Base Payroll   | \$ 11,497,528   | 55.89                              | 13.00                 | 42.89                            | 0.1175                                 | \$ 1,350,999  |
| 3    | Payroll Withholdings:  |   |                                    |                       |                                  |  |   |
| 4    | FICA - Employee Portion  | 1,596,961   | 55.87                              | 16.19                 | 39.68                            | 0.1087                                 | 173,630   |
| 5    | Federal Income Taxes Withheld  | 3,770,670   | 55.87                              | 16.19                 | 39.68                            | 0.1087                                 | 409,933   |
| 6    | State Income Taxes Withheld  | 1,223,771   | 55.87                              | 18.19                 | 37.68                            | 0.1032                                 | 126,324   |
| 7    | 401(k)   | 2,191,891   | 55.87                              | 38.82                 | 17.05                            | 0.0467                                 | 102,396   |
| 8    | EIP  | 169,492   | 55.87                              | 38.82                 | 17.05                            | 0.0467                                 | 7,919   |
| 9    | Fuel & Power   | 8,257,476   | 56.17                              | 37.20                 | 18.97                            | 0.0520                                 | 429,084   |
| 10   | Chemicals  | 6,882,301   | 0.00                               | 0.00                  | 0.00                             | 0.0000                                 | 0   |
| 11   | Materials and Supplies   | 2,681,183   | 0.00                               | 0.00                  | 0.00                             | 0.0000                                 | 0   |
| 12   | Purchased Water  | 928,676   | 45.05                              | 42.45                 | 2.60                             | 0.0071                                 | 6,627   |
| 13   | Management Fees  | 23,123,772  | 55.75                              | 21.41                 | 34.34                            | 0.0941                                 | 2,175,373   |
| 14   | Group Insurance  | 4,629,705   | 55.15                              | (7.50)                | 62.65                            | 0.1716                                 | 794,646   |
| 15   | OPEB's   | 1,027,581   | 55.87                              | 3.41                  | 52.46                            | 0.1437                                 | 147,688   |
| 16   | Pensions   | 2,892,450   | 55.87                              | 17.58                 | 38.29                            | 0.1049                                 | 303,410   |
| 17   | EIP - Employer Match   | (37,462)  | 55.80                              | 38.82                 | 16.98                            | 0.0465                                 | (1,743)   |
| 18   | 401(k) - Employer Match  | 407,725   | 57.00                              | 38.82                 | 18.18                            | 0.0498                                 | 20,311  |
| 19   | Insurance Other Than Group   | 3,856,592   | 55.86                              | 42.44                 | 13.42                            | 0.0368                                 | 141,808   |
| 20   | Uncollectible Accounts   | 1,681,265   | 0.00                               | 0.00                  | 0.00                             | 0.0000                                 | 0   |
| 21   | Rents  | 361,920   | 54.64                              | (9.96)                | 64.60                            | 0.1770                                 | 64,050  |
| 22   | Cash Vouchers  | 11,634,598  | 54.72                              | 21.41                 | 33.31                            | 0.0913                                 | 1,061,799   |
| 23   | Total Operation & Maintenance Expense                                  | \$ 88,778,095   |                                    |                       |                                  |  | \$ 7,314,254  |
| 24   | Taxes Other Than Income  |   |                                    |                       |                                  |  |   |
| 25   | FICA - Employer Portion  | 1,596,961   | 55.87                              | 16.19                 | 39.68                            | 0.1087                                 | \$ 173,630  |
| 26   | Federal Unemployment   | 23,074  | 55.47                              | 76.38                 | (20.91)                          | (0.0573)                               | (1,322)   |
| 27   | State Unemployment   | 59,115  | 55.44                              | 76.38                 | (20.94)                          | (0.0574)                               | (3,391)   |
| 28   | Property Taxes   | 9,627,663   | 55.12                              | 182.50                | (127.38)                         | (0.3490)                               | (3,359,835)   |
| 29   | Franchise Tax  | 252,698   | 54.36                              | (77.50)               | 131.86                           | 0.3613                                 | 91,290  |
| 30   | PSC Assessment   | 1,105,152   | 55.78                              | (31.63)               | 87.41                            | 0.2395                                 | 264,666   |
| 31   | Total Taxes Other Than Income  | \$ 12,664,663   |                                    |                       |                                  |  | \$ (2,834,962)  |
| 32   | Other Expenses   |   |                                    |                       |                                  |  |   |
| 33   | Gross Receipts Tax   | 11,604,703  | 25.54                              | 47.37                 | (21.83)                          | (0.0598)                               | (694,066)   |
| 34   | Sales Tax  | 942,930   | 0.00                               | 8.12                  | (8.10)                           | (0.0222)                               | (20,932)  |
| 35   | Missouri Primacy Fees  | 752,180   | 24.72                              | 243.50                | (218.78)                         | (0.5994)                               | (450,861)   |
| 36   | Total Other Expenses   | \$ 13,299,813   |                                    |                       |                                  |  | \$ (1,165,859)  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |   |                                    |                       |                                  |  | <b>\$ 3,313,433</b>   |
| 38   | Interest Expense   | \$ 15,283,229   | 53.74                              | 108.85                | (55.11)                          | (0.1510)                               | \$ (2,307,533)  |
| 39   | Federal Income Tax   | \$ 9,089,380  | 52.83                              | 37.00                 | 15.83                            | 0.0434                                 | \$ 394,205  |
| 40   | State Income Tax   | \$ 1,428,331  | 52.84                              | 58.95                 | (6.11)                           | (0.0167)                               | \$ (23,905)   |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Income Statement

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Total Company<br>Adjustment |           | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>(B)+(C)+(E)<br>(F) |
|------|--------------------------------|--|-----------------------------|-----------|--|--|
|      |                                |  | Amount<br>(C)               | No<br>(D) |  |  |
| 1    | Operating Revenues:            |  |                             |           |  |  |
| 2    | Residential Revenue            | \$ 102,680,092                         | \$ 1,941,238                | S-1       | \$ 0   | \$ 104,621,330                                 |
| 3    | Commercial Revenue             | 30,509,229                             | 872,688                     | S-2       | 35   | 31,381,952                                     |
| 4    | Industrial Revenue             | 10,439,899                             | 12,123                      | S-3       | 0  | 10,452,022                                     |
| 5    | Private Fire                   | 1,603,897                              | (17,223)                    | S-4       | 0  | 1,586,674                                      |
| 6    | Public Fire                    | 5,970,292                              | (15)                        | S-5       | 0  | 5,970,277                                      |
| 7    | Public Authorities             | 2,885,222                              | 43,830                      | S-6       | 0  | 2,929,052                                      |
| 8    | Sales For Resale               | 7,008,188                              | 545,898                     | S-7       | 0  | 7,554,086                                      |
| 9    | Other Revenue                  | 2,500,627                              | 0                           | S-8       | 202,777                                      | 2,703,404                                      |
| 10   | Total Revenues                 | \$ 163,597,446                         | \$ 3,398,539                |           | \$ 202,812                                   | \$ 167,198,797                                 |
| 11   | Operating Expenses:            |  |                             |           |  |  |
| 12   | Operation & Maintenance:       |  |                             |           |  |  |
| 13   | Source of Supply               | 1,854,611                              | 635,208                     | S-9       | 622  | 2,490,442                                      |
| 14   | Pumping                        | 9,530,300                              | 377,073                     | S-10      | (162,463)                                    | 9,744,910                                      |
| 15   | Water Treatment                | 11,315,182                             | (154,869)                   | S-11      | 1,328  | 11,161,641                                     |
| 16   | Transmission & Distribution    | 13,574,348                             | 122,224                     | S-12      | 6,805  | 13,703,377                                     |
| 17   | Customer Accounts              | 2,633,961                              | (143,612)                   | S-13      | 3,693,904                                    | 6,184,253                                      |
| 18   | Administrative & General       | 1,313,424                              | 9,938,023                   | S-14      | 34,242,027                                   | 45,493,473                                     |
| 19   | Total O & M Expense            | \$ 40,221,826                          | \$ 10,774,046               |           | \$ 37,782,223                                | \$ 88,778,095                                  |
| 20   | Other Operating Expenses:      |  |                             |           |  |  |
| 21   | Depreciation - Plant           | 14,431,458                             | 4,677,710                   | S-15      | 1,254,404                                    | 20,363,572                                     |
| 22   | Amortization                   | 1,812                                  | 0                           | S-16      | 29,754                                       | 31,566   |
| 23   | Taxes Other Than Income        | 10,697,618                             | 534,192                     | S-17      | 1,432,853                                    | 12,664,663                                     |
| 24   | Total Other Operating Expense  | \$ 25,130,888                          | \$ 5,211,902                |           | \$ 2,717,011                                 | \$ 33,059,801                                  |
| 25   | Total Operating Expenses       | 65,352,714                             | 15,985,948                  |           | 40,499,234                                   | 121,837,896                                    |
| 26   | Net Income Before Income Taxes | \$ 98,244,732                          | \$ (12,587,409)             |           | \$ (40,296,422)                              | \$ 45,360,901                                  |
| 27   | Income Taxes:                  |  |                             |           |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ 5,973,441                | S-18      | \$ 3,632,393                                 | \$ 9,605,834                                   |
| 29   | Deferred Income Tax:           |  |                             |           |  |  |
| 30   | Deferred Income Tax Expense    | 422,664                                | (5,012,429)                 | S-19      | 6,635,382                                    | 2,045,617                                      |
| 31   | ITC Amortization               | (102,252)                              | 0                           | S-20      | (28,488)                                     | (130,740)                                      |
| 32   | Total Income Taxes             | \$ 320,412                             | \$ 961,012                  |           | \$ 10,239,287                                | \$ 11,520,711                                  |
| 33   | Net Operating Income           | \$ 97,924,320                          | \$ (13,548,422)             |           | \$ (50,535,709)                              | \$ 33,840,189                                  |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No.            | Description   | Total Company        |                     |
|-------------------------|---|----------------------|---------------------|
|                         |   | Adjustment<br>Amount | Total<br>Adjustment |
| Residential Revenue S-1 |   |                      | \$ 1,941,238        |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 1,452,007         |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 1,467,245            |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (978,014)            |                     |
| Commercial Revenue S-2  |   |                      | \$ 872,688          |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 640,953           |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 372,558              |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (140,823)            |                     |
| Industrial Revenue S-3  |   |                      | \$ 12,123           |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ (100,609)         |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 112,732              |                     |
| Private Fire S-4        |   |                      | \$ (17,223)         |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | (17,223)             |                     |
| Public Fire S-5         |   | 0                    | \$ (15)             |
| 1                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (15)                 |                     |
| Public Authorities S-6  |   |                      | \$ 43,830           |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | 50,429               |                     |
| 2                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (6,599)              |                     |
| Sales For Resale S-7    |   |                      | \$ 545,898          |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 560,375           |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | (6,670)              |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (7,807)              |                     |
| Other Revenue S-8       |   |                      | \$ 0                |
| 1                       | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                    |                     |
| Source of Supply S-9    |   |                      | \$ 635,208          |
| 1                       | To Annualize Payroll (Hanneken)                                     | \$ 2,973             |                     |
| 2                       | To Normalize Overtime Pay (Hanneken)                                | (9,198)              |                     |

Missouri-American Water Company  
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**Adjustments To Income Statement**

| Adjnt<br>No.                                | Description   | Total Company        |                     |
|---|---|----------------------|---------------------|
|   |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (527)                |                     |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 641,961              |                     |
| <b>Pumping S-10</b>                         |   |                      | <b>\$ 377,073</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 152,219           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (46,205)             |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (7,397)              |                     |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | 278,456              |                     |
| <b>Water Treatment S-11</b>                 |   |                      | <b>\$ (154,869)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 68,293            |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (96,950)             |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (3,784)              |                     |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 11,651               |                     |
| 6   | To Annualize Chemicals Expense (Grissum)                          | (134,079)            |                     |
| <b>Transmission &amp; Distribution S-12</b> |   |                      | <b>\$ 122,224</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 351,325           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (233,854)            |                     |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (3,197)              |                     |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 7,949                |                     |
| <b>Customer Accounts S-13</b>               |   |                      | <b>\$ (143,612)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 152,768           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (64,859)             |                     |
| 3   | To Annualize Postage Expense (Grissum)                            | 45,519               |                     |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (277,040)            |                     |
| <b>Administrative &amp; General S-14</b>    |   |                      | <b>\$ 9,938,023</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 79,910            |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (67,726)             |                     |



## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No.                     | Description   | Total Company        |                     |
|----------------------------------|---|----------------------|---------------------|
|                                  |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                                | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                                | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | (193,908)            |                     |
| 5                                | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                                | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                                | To Annualize Insurance Other Than Group (Hagemeyer)                 | 1,198,484            |                     |
| 8                                | To Annualize Other Post Employment Benefits (Hagemeyer)             | 1,204,089            |                     |
| 9                                | To Annualize Tank Painting Expense (Hagemeyer)                      | (674,523)            |                     |
| 10                               | To Annualize Pension Expense (Hagemeyer)                            | 2,262,917            |                     |
| 11                               | To Annualize Transportation Leases (Hagemeyer)                      | (307,731)            |                     |
| 12                               | To Annualize Waste Disposal Expense (Hagemeyer)                     | (16,408)             |                     |
| 13                               | To Annualize Main Breaks Expense (Hagemeyer)                        | 57,438               |                     |
| 14                               | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                               | To Remove Meals, Awards, etc. (Began)                               | (39,306)             |                     |
| 16                               | To Remove Miscellaneous Expense (Began)                             | (15,703)             |                     |
| 17                               | To Remove Dues and Donations (Began)                                | (168,109)            |                     |
| 18                               | To Remove Disallowed Promotion Expense (Began)                      | (7,928)              |                     |
| 19                               | To Remove Disallowed Advertising Expense (Began)                    | (19,398)             |                     |
| 20                               | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                               | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                               | To Annualize Payroll Tax Expense (Hanneken)                         | 6,795,269            |                     |
| 23                               | To Annualize Incentive Compensation Expense (Hanneken)              | (149,344)            |                     |
| 24                               | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                               | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                               | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                               | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                               | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant S-15</b> |   |                      | <b>\$ 4,677,710</b> |
| 1                                | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 6,990,109         |                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No.                            | Description  | Total Company        |                     |
|---|--|----------------------|---------------------|
|   |  | Adjustment<br>Amount | Total<br>Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (2,110,913)          |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (201,486)            |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 92,216            | \$ 534,192          |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (11,426)             |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | 453,402              |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy)  | \$ 5,973,441         | \$ 5,973,442        |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ (5,012,429)       | \$ (5,012,429)      |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| 2                                       |  | 0                    |                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Tax Calculation**

| Line | Description<br>(A)                             | Total Company       |                        |                        |                        |
|------|--|---------------------|------------------------|------------------------|------------------------|
|      |  | Test Year<br>(B)    | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 33,840,189       | \$ 35,303,694          | \$ 36,093,234          | \$ 36,882,773          |
| 2    | Add:   |                     |                        |                        |                        |
| 3    | Current Income Tax                             | 9,605,835           | 10,517,711             | 11,009,655             | 11,501,598             |
| 4    | Deferred Income Taxes                          |                     |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | 2,045,617           | 2,045,617              | 2,045,617              | 2,045,617              |
| 6    | ITC Amortization                               | (130,740)           | (130,740)              | (130,740)              | (130,740)              |
| 7    | Net Income Before Income Tax                   | \$ 45,360,901       | \$ 47,736,282          | \$ 49,017,766          | \$ 50,299,249          |
| 8    | Additions to Net Income Before Income Tax:     |                     |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 20,363,572       | \$ 20,363,572          | \$ 20,363,572          | \$ 20,363,572          |
| 10   | Contributions In Aid of Construction           | 0                   | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                   | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 35,820              | 35,820                 | 35,820                 | 35,820                 |
| 13   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 20,399,392       | \$ 20,399,392          | \$ 20,399,392          | \$ 20,399,392          |
| 16   | Subtractions to Net Income Before Income Tax:  |                     |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 15,283,229       | \$ 15,283,229          | \$ 15,283,229          | \$ 15,283,229          |
| 18   | Tax Straight Line Depreciation                 | 20,363,572          | 20,363,572             | 20,363,572             | 20,363,572             |
| 19   | Tax Depreciation in Excess of Straight Line    | 5,090,886           | 5,090,886              | 5,090,886              | 5,090,886              |
| 20   | Cost of Removal                                | 0                   | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 40,737,687       | \$ 40,737,687          | \$ 40,737,687          | \$ 40,737,687          |
| 24   | Net Taxable Income                             | \$ 25,022,606       | \$ 27,397,987          | \$ 28,679,471          | \$ 29,960,954          |
| 25   | Provision for Federal Income Tax               |                     |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ 25,022,606       | \$ 27,397,987          | \$ 28,679,471          | \$ 29,960,954          |
| 27   | Deduct Missouri Income Tax @ 100.00%           | 1,304,496           | 1,428,331              | 1,495,138              | 1,561,945              |
| 28   | Federal Taxable Income                         | \$ 23,718,110       | \$ 25,969,656          | \$ 27,184,333          | \$ 28,399,009          |
| 29   | Federal Income Tax @ 35.00%                    | \$ 8,301,338        | \$ 9,089,380           | \$ 9,514,516           | \$ 9,939,653           |
| 30   | Provision for Missouri Income Tax              |                     |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ 25,022,606       | \$ 27,397,987          | \$ 28,679,471          | \$ 29,960,954          |
| 32   | Deduct Federal Income Tax @ 50.00%             | 4,150,669           | 4,544,690              | 4,757,258              | 4,969,826              |
| 33   | Missouri Taxable Income                        | \$ 20,871,937       | \$ 22,853,297          | \$ 23,922,213          | \$ 24,991,128          |
| 34   | Missouri Income Tax @ 6.25%                    | \$ 1,304,496        | \$ 1,428,331           | \$ 1,495,138           | \$ 1,561,945           |
| 35   | Summary of Provision For Income Tax            |                     |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ 8,301,338        | \$ 9,089,380           | \$ 9,514,516           | \$ 9,939,653           |
| 37   | State Income Tax                               | 1,304,496           | 1,428,331              | 1,495,138              | 1,561,945              |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ 9,605,835</b> | <b>\$ 10,517,711</b>   | <b>\$ 11,009,655</b>   | <b>\$ 11,501,598</b>   |

**TOTAL WATER**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Revenue Requirement**

| Line | (A)  | Total Water                   |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 563,274,554                | \$ 563,274,554                | \$ 563,274,554                |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 35,260,987                 | \$ 36,049,571                 | \$ 36,838,156                 |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 33,957,116                    | 33,957,116                    | 33,957,116                    |
| 5    | Additional Net Operating Income Requirement                    | \$ 1,303,871                  | \$ 2,092,456                  | \$ 2,881,040                  |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 10,480,990                 | \$ 10,972,338                 | \$ 11,463,687                 |
| 8    | Test Year Current Income Tax                                   | 9,668,577                     | 9,668,577                     | 9,668,577                     |
| 9    | Additional Current Income Tax Requirement                      | \$ 812,413                    | \$ 1,303,761                  | \$ 1,795,110                  |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 2,116,284                  | \$ 3,396,217                  | \$ 4,676,150                  |
| 11   | Allowance for True-up  | \$ 6,607,019                  | \$ 6,607,019                  | \$ 6,607,019                  |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 8,723,303</b>           | <b>\$ 10,003,236</b>          | <b>\$ 11,283,169</b>          |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 166,880,258                | \$ 166,880,258                | \$ 166,880,258                |
| 14   | Total Gross Revenue Requirement                                | \$ 175,603,561                | \$ 176,883,494                | \$ 178,163,427                |

Missouri-American Water Company  
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Rate Base

| Line | Description<br>(A)  | Total Water            |                                  |                       |
|------|---|------------------------|----------------------------------|-----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)          |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 1,114,347,908       | \$ 9,978,397                     | \$ 1,124,326,305      |
| 2    | Less:   |                        |                                  |                       |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 294,022,259            | 3,117,533                        | 297,139,792           |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                     |
| 5    | Net Plant in Service  | \$ 820,325,649         | \$ 6,860,864                     | \$ 827,186,513        |
| 6    | Add:  |                        |                                  |                       |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ 3,289,306           | \$                               | \$ 3,289,306          |
| 8    | Materials and Supplies  | 3,354,824              | 18,525                           | 3,373,349             |
| 9    | Prepayments   | 0                      | 684,178                          | 684,178               |
| 10   | Deferred OPEB Asset   | 0                      | 949,595                          | 949,595               |
| 11   | Other   | 0                      | 0                                | 0                     |
| 12   | Other   | 0                      | 0                                | 0                     |
| 13   | Other   | 0                      | 0                                | 0                     |
| 14   | Total Additions to Net Plant in Service                       | \$ 6,644,130           | \$ 1,652,298                     | \$ 8,296,428          |
| 15   | Deduct:   |                        |                                  |                       |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 2,304,038           | \$                               | \$ 2,304,038          |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (393,954)              |                                  | (393,954)             |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 23,644                 |                                  | 23,644                |
| 19   | Contributions In Aid of Construction:                         | 132,234,849            | 0                                | 132,234,849           |
| 20   | Customer Advances   | 62,886,236             | (3,423)                          | 62,882,813            |
| 21   | Customer Deposits   | 0                      | 0                                | 0                     |
| 22   | Pre-71 ITC  | 51,839                 | (16,635)                         | 35,204                |
| 23   | Deferred Income Taxes   | 0                      | 64,938,604                       | 64,938,604            |
| 24   | Accrued Pension Liability                                     | 229,325                | 9,953,864                        | 10,183,189            |
| 25   | Other   | 0                      | 0                                | 0                     |
| 26   | Other   | 0                      | 0                                | 0                     |
| 27   | Other   | 0                      | 0                                | 0                     |
| 28   | Total Deductions to Net Plant in Service                      | \$ 197,335,977         | \$ 74,872,411                    | \$ 272,208,388        |
| 29   | <b>Total Rate Base</b>  | <b>\$ 629,633,802</b>  | <b>\$ (66,359,248)</b>           | <b>\$ 563,274,554</b> |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Plant In Service

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)               | Balance<br>12/31/2006<br>(C) | Total Water<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-------------------|----------------------------------|------------------------------|----------------------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                  |                              | Amount<br>(D)              | No.<br>(E) |                                  |                                   |
| 1    |                   | Intangible                       |                              |                            |            |                                  |                                   |
| 2    | 301               | Organization                     | \$ (2,719)                   | \$ 0                       | P-1        | \$ 181,007                       | \$ 178,288                        |
| 3    | 302               | Franchise & Consents             | 39,500                       | 0                          | P-2        | 0                                | 39,500                            |
| 4    | 303               | Miscellaneous Intangible         | 55,550                       | 0                          | P-3        | 283,392                          | 338,942                           |
| 5    |                   | Total Intangible                 | \$ 92,331                    | \$ 0                       |            | \$ 464,399                       | \$ 556,730                        |
| 6    |                   | Source of Supply                 |                              |                            |            |                                  |                                   |
| 7    | 310               | Land & Land Rights               | \$ 1,707,294                 | \$ 0                       | P-4        | \$ 0                             | \$ 1,707,294                      |
| 8    | 311               | Structures & Improvements        | 10,604,137                   | 0                          | P-5        | 0                                | 10,604,137                        |
| 9    | 312               | Collecting & Impounding Res      | 111,066                      | 0                          | P-6        | 0                                | 111,066                           |
| 10   | 313               | Lake, River & Other Intakes      | 447,399                      | 0                          | P-7        | 0                                | 447,399                           |
| 11   | 314               | Wells & Springs                  | 6,659,423                    | (350,000)                  | P-8        | 0                                | 6,309,423                         |
| 12   | 315               | Infiltration Galleries & Tunnels | 1,804                        | 0                          | P-9        | 0                                | 1,804                             |
| 13   | 316               | Supply Mains                     | 10,960,950                   | 0                          | P-9        | 0                                | 10,960,950                        |
| 14   | 316               | Supply Mains-North Plant         | 245,687                      | 0                          | P-10       | 0                                | 245,687                           |
| 15   | 316               | Supply Mains-Central Plant       | 3,929,522                    | 0                          | P-11       | 0                                | 3,929,522                         |
| 16   | 316               | Supply Mains-South Plant         | 337,448                      | 0                          | P-12       | 0                                | 337,448                           |
| 17   | 316               | Supply Mains-Meramec Plant       | 1,313,864                    | 0                          | P-13       | 0                                | 1,313,864                         |
| 18   | 317               | Other Source of Supply Plant     | 1,730                        | 0                          | P-14       | 0                                | 1,730                             |
| 19   |                   | Total Source of Supply           | \$ 36,320,324                | \$ (350,000)               |            | \$ 0                             | \$ 35,970,324                     |
| 20   |                   | Pumping                          |                              |                            |            |                                  |                                   |
| 21   | 320               | Land & Land Rights               | \$ 367,015                   | \$ 0                       | P-15       | \$ 0                             | \$ 367,015                        |
| 22   | 321               | S & I-Plant                      | 7,905,787                    | 0                          | P-16       | 0                                | 7,905,787                         |
| 23   | 321.1             | S & I-Pumps (STL)                | 4,848,057                    | 0                          | P-17       | 0                                | 4,848,057                         |
| 24   | 321.2             | S & I-Boosters                   | 2,718,024                    | 0                          | P-18       | 0                                | 2,718,024                         |
| 25   | 322               | Boiler Equipment                 | 348                          | 0                          | P-19       | 0                                | 348                               |
| 26   | 323               | Other Power Prod. Equip.         | 332,106                      | 0                          | P-20       | 0                                | 332,106                           |
| 27   | 324               | Steam Pumping Equipment          | 6,907                        | 0                          | P-21       | 0                                | 6,907                             |
| 28   | 325.1             | Electric Pumping Equipment       | 13,774,371                   | 0                          | P-22       | 0                                | 13,774,371                        |
| 29   | 325.2             | Pumping Equipment-Pre '46        | 874,158                      | 0                          | P-23       | 0                                | 874,158                           |
| 30   | 325.3             | Pumping Equipment-Post '46       | 25,323,220                   | 0                          | P-24       | 0                                | 25,323,220                        |
| 31   | 325               | Pumping Equipment-Booster        | 1,493,074                    | 0                          | P-25       | 0                                | 1,493,074                         |
| 32   | 326               | Diesel Pumping Equipment         | 145,006                      | 0                          | P-26       | 0                                | 145,006                           |
| 33   | 326               | Dsl Pump Equip-Stratman          | 207,946                      | 0                          | P-27       | 0                                | 207,946                           |
| 34   | 326               | Dsl Pump Equip-Central Plant     | 1,698,803                    | 0                          | P-28       | 0                                | 1,698,803                         |
| 35   | 327               | Pump Equip Hydraulic             | 81,548                       | 0                          | P-29       | 0                                | 81,548                            |
| 36   | 328               | Other Pumping Equipment          | 501,764                      | 0                          | P-30       | 0                                | 501,764                           |
| 37   |                   | Total Pumping                    | \$ 60,278,134                | \$ 0                       |            | \$ 0                             | \$ 60,278,134                     |
| 38   |                   | Water Treatment Plant            |                              |                            |            |                                  |                                   |
| 39   | 330               | Land & Land Rights               | \$ 1,455,587                 | \$ 0                       | P-31       | \$ 0                             | \$ 1,455,587                      |
| 40   | 331               | Structures & Improvements        | 33,406,424                   | 0                          | P-32       | 0                                | 33,406,424                        |
| 41   | 331               | S & I - North Plant              | 5,897,100                    | 0                          | P-33       | 0                                | 5,897,100                         |
| 42   | 331               | S & I-Central 1 & 2              | 2,679,748                    | 0                          | P-34       | 0                                | 2,679,748                         |
| 43   | 331               | S & I-Central 3                  | 21,452,569                   | 0                          | P-35       | 0                                | 21,452,569                        |
| 44   | 331               | S & I-South Plant                | 2,375,351                    | 0                          | P-36       | 0                                | 2,375,351                         |
| 45   | 331               | S & I-Meramac                    | 9,171,169                    | 0                          | P-37       | 0                                | 9,171,169                         |
| 46   | 332               | WT Equip Non-Media               | 36,268,103                   | 0                          | P-38       | 0                                | 36,268,103                        |
| 47   | 332               | WT Equip-North Plant             | 7,179,235                    | 0                          | P-39       | 0                                | 7,179,235                         |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Plant In Service

|      |                | Total Water                         |                              |               |            |                                  |                                   |
|------|----------------|-------------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|      |                |                                     |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 48   | 332            | WT Equip-Central 1 & 2              | 2,256,219                    | 0             | P-40       | 0                                | 2,256,219                         |
| 49   | 332            | WT Equip-Central 3                  | 21,805,467                   | 0             | P-41       | 0                                | 21,805,467                        |
| 50   | 332            | WT Equip-South Plant                | 2,628,630                    | 0             | P-42       | 0                                | 2,628,630                         |
| 51   | 332            | WT Equip-Meramac                    | 7,355,932                    | 0             | P-43       | 0                                | 7,355,932                         |
| 52   | 332            | Other P/E Hand Equipment            | 1,481,666                    | 0             | P-44       | 0                                | 1,481,666                         |
| 53   | 332.4          | Equipment Filter Media              | 1,077,545                    | 0             | P-45       | 0                                | 1,077,545                         |
| 54   |                | Total Water Treatment Plant         | \$ 156,490,745               | \$ 0          |            | \$ 0                             | \$ 156,490,745                    |
| 55   |                | Transmission & Distribution         |                              |               |            |                                  |                                   |
| 56   | 340            | Land & Land Rights                  | \$ 4,728,291                 | \$ 0          | P-46       | \$ 0                             | \$ 4,728,291                      |
| 57   | 341            | Structures & Improvements           | 6,974,157                    | 0             | P-47       | 0                                | 6,974,157                         |
| 58   | 341.63         | S & I-Spec Cross                    | 267,357                      | 0             | P-48       | 0                                | 267,357                           |
| 59   | 342            | Distr. Res. & Standpipes            | 7,603,095                    | 0             | P-49       | 0                                | 7,603,095                         |
| 60   | 342            | Rsvr & Standpipe-Elev               | 5,869,922                    | 0             | P-50       | 0                                | 5,869,922                         |
| 61   | 342            | Rsvr & Standpipe-Ground             | 10,591,293                   | 0             | P-51       | 0                                | 10,591,293                        |
| 62   | 343            | T & D Mains (Not Classified)        | 33,101,975                   | 0             | P-52       | 0                                | 33,101,975                        |
| 63   | 343.1          | T & D Mains - 4" & Less             | 4,024,296                    | 0             | P-53       | 0                                | 4,024,296                         |
| 64   | 343.1          | T & D Mains AC 4 (STL)              | 2,827,541                    | 0             | P-54       | 0                                | 2,827,541                         |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            | 50,188                       | 0             | P-55       | 0                                | 50,188                            |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 43,385,008                   | 0             | P-56       | 0                                | 43,385,008                        |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          | 2,800,809                    | 0             | P-57       | 0                                | 2,800,809                         |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          | 17,273,037                   | 0             | P-58       | 0                                | 17,273,037                        |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          | 53,099,538                   | 0             | P-59       | 0                                | 53,099,538                        |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          | 242,693,826                  | 0             | P-60       | 0                                | 242,693,826                       |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         | 7,101                        | 0             | P-61       | 0                                | 7,101                             |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         | 666,787                      | 0             | P-62       | 0                                | 666,787                           |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 46,077,117                   | 0             | P-63       | 0                                | 46,077,117                        |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 13,651,081                   | 0             | P-64       | 0                                | 13,651,081                        |
| 75   | 343.3          | CI-12" (STL)                        | 13,026,543                   | 0             | P-65       | 0                                | 13,026,543                        |
| 76   | 343.3          | CI-16" (STL)                        | 19,124,068                   | 0             | P-66       | 0                                | 19,124,068                        |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           | 59,333,118                   | 0             | P-66       | 0                                | 59,333,118                        |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) | 106,941,041                  | 0             | P-67       | 0                                | 106,941,041                       |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           | 4,499,594                    | 0             | P-68       | 0                                | 4,499,594                         |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           | 274,277                      | 0             | P-69       | 0                                | 274,277                           |
| 81   | 344            | Fire Mains                          | 529,359                      | 0             | P-70       | 0                                | 529,359                           |
| 82   | 345            | Services                            | 23,175,266                   | 0             | P-71       | 0                                | 23,175,266                        |
| 83   | 346.1          | Meters-Bronze Case                  | 5,656,199                    | 0             | P-72       | 0                                | 5,656,199                         |
| 84   | 346.2          | Meters-Plastic Case                 | 90,711                       | 0             | P-73       | 0                                | 90,711                            |
| 85   | 346.3          | Meters-Other                        | 20,627,427                   | 0             | P-74       | 0                                | 20,627,427                        |
| 86   | 346.3          | Meters-Remote (ARB's)               | 4,192,376                    | 0             | P-75       | 0                                | 4,192,376                         |
| 87   | 347.1          | Meter Install                       | 16,108,748                   | 0             | P-76       | 0                                | 16,108,748                        |
| 88   | 347.2          | Meter Install-Other                 | 9,622,440                    | 0             | P-77       | 0                                | 9,622,440                         |
| 89   | 348            | Hydrants                            | 48,675,649                   | 0             | P-78       | 0                                | 48,675,649                        |
| 90   | 349            | Other T&D Plant                     | 35,406                       | 0             | P-79       | 0                                | 35,406                            |
| 91   |                | Total Transmission & Distribution   | \$ 827,604,641               | \$ 0          |            | \$ 0                             | \$ 827,604,641                    |



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**Plant In Service**

| Line | A/C No.<br>(A) | Plant Title<br>(B)               | Balance<br>12/31/2006<br>(C) | Total Water<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|----------------------------------|------------------------------|----------------------------|------------|----------------------------------|-----------------------------------|
|      |                |                                  |                              | Amount<br>(D)              | No.<br>(E) |                                  |                                   |
| 92   |                | Sewer Plant                      |                              |                            |            |                                  |                                   |
| 93   | 351            | Structures & Improvements        | \$ 0                         | \$ 0                       | P-80       | \$ 0                             | \$ 0                              |
| 94   | 352.1          | Collection Sewers Forced         | 0                            | 0                          | P-81       | 0                                | 0                                 |
| 95   | 352.2          | Collecting Mains                 | 0                            | 0                          | P-82       | 0                                | 0                                 |
| 96   | 352.2          | Collecting Mains Other           | 0                            | 0                          | P-83       | 0                                | 0                                 |
| 97   | 353            | Service to Customers             | 0                            | 0                          | P-84       | 0                                | 0                                 |
| 98   | 363            | Electric Pumping Equipment       | 0                            | 0                          | P-85       | 0                                | 0                                 |
| 99   | 370.1          | Land & Land Rights               | 0                            | 0                          | P-86       | 0                                | 0                                 |
| 100  | 372            | T&D Equipment                    | 0                            | 0                          | P-87       | 0                                | 0                                 |
| 101  | 372            | T&D Equipment Influent Lift      | 0                            | 0                          | P-88       | 0                                | 0                                 |
| 102  | 374            | Outfall Sewer Lines              | 0                            | 0                          | P-89       | 0                                | 0                                 |
| 103  |                | Total Sewer Plant                | \$ 0                         | \$ 0                       |            | \$ 0                             | \$ 0                              |
| 104  |                | General Plant                    |                              |                            |            |                                  |                                   |
| 105  | 389            | Land & Land Rights               | \$ 20,431                    | \$ 0                       | P-90       | \$ 0                             | \$ 20,431                         |
| 106  | 390            | S&I-Store, Shop & Garage         | 600,046                      | 0                          | P-91       | 0                                | 600,046                           |
| 107  | 390.1          | S & I-Offices                    | 905,852                      | 0                          | P-92       | 0                                | 905,852                           |
| 108  | 390.1          | S & I-Leasehold                  | 5,796                        | 0                          | P-93       | 0                                | 5,796                             |
| 109  | 390.1          | S & I-Leasehold - SCADA          | 339,728                      | 0                          | P-94       | 0                                | 339,728                           |
| 110  | 390.3          | S&I-Misc                         | 3,695,334                    | 0                          | P-95       | 0                                | 3,695,334                         |
| 111  | 391            | Office Furniture and Equipment   | 8,192,514                    | (6,489,353)                | P-96       | 752,515                          | 2,455,676                         |
| 112  | 391.2          | Computers & Peripheral Equipment | 3,315,582                    | 0                          | P-97       | 2,306,903                        | 5,622,485                         |
| 113  | 391.25         | Computer Software                | 2,727,516                    | 0                          | P-98       | 6,068,299                        | 8,795,815                         |
| 114  | 391.26         | Computer Software Personal       | 133,438                      | 0                          | P-99       | 117,671                          | 251,109                           |
| 115  | 391.3          | Data Handling Equipment          | 342,896                      | 0                          | P-100      | 0                                | 342,896                           |
| 116  | 391.3          | Other Office Equipment           | 425,269                      | 0                          | P-101      | 14,186                           | 439,455                           |
| 117  | 392.11         | Trans Equipment-Lt Duty Trucks   | 745,616                      | 0                          | P-102      | 40,457                           | 786,073                           |
| 118  | 392.12         | Trans Equipment-Hvy Duty Trucks  | 4,163,904                    | 0                          | P-103      | 0                                | 4,163,904                         |
| 119  | 392.2          | Trans Equipment-Autos            | 388,346                      | 0                          | P-104      | 149,464                          | 537,810                           |
| 120  | 392.3          | Trans Equipment Other            | 61,997                       | 0                          | P-105      | 0                                | 61,997                            |
| 121  | 393            | Stores Equipment                 | 333,911                      | 0                          | P-106      | 0                                | 333,911                           |
| 122  | 394            | Tools, Shop & Garage Equipment   | 2,764,354                    | 0                          | P-107      | 16,513                           | 2,780,867                         |
| 123  | 394            | Tools, Shop & Garage Equip Other | 3,934,335                    | 0                          | P-108      | 0                                | 3,934,335                         |
| 124  | 395            | Laboratory Equipment             | 1,744,429                    | 0                          | P-109      | 0                                | 1,744,429                         |
| 125  | 395            | Laboratory Equipment Other       | 285,859                      | 0                          | P-110      | 0                                | 285,859                           |
| 126  | 396            | Power Operated Equipment         | 1,226,159                    | 0                          | P-111      | 0                                | 1,226,159                         |
| 127  | 397            | Comm Equipment-Non-Tele          | 1,339,917                    | 0                          | P-112      | 2,241                            | 1,342,158                         |
| 128  | 397.2          | Comm Equipment-Tele              | 98,289                       | 0                          | P-113      | 34,941                           | 133,230                           |
| 129  | 398            | Miscellaneous                    | 1,682,493                    | 0                          | P-114      | 10,808                           | 1,693,301                         |
| 130  | 399            | Other Tangible Property          | 927,075                      | 0                          | P-115      | 0                                | 927,075                           |
| 131  |                | Total General Plant              | \$ 40,401,086                | \$ (6,489,353)             |            | \$ 9,513,998                     | \$ 43,425,731                     |
| 132  |                | <b>Total Plant In Service</b>    | <b>\$ 1,121,187,261</b>      | <b>\$ (6,839,353)</b>      |            | <b>\$ 9,978,397</b>              | <b>\$ 1,124,326,305</b>           |

Missouri-American Water Company  
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### Adjustments To Plant In Service

| Adjmt<br>No. | Description   |      |  | Total Water          |                     |
|--------------|---|------|--|----------------------|---------------------|
|              |   |      |  | Adjustment<br>Amount | Total<br>Adjustment |
| A/C 301      | Organization  | P-1  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 302      | Franchise & Consents  | P-2  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 303      | Miscellaneous Intangible  | P-3  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 310      | Land & Land Rights  | P-4  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 311      | Structures & Improvements   | P-5  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 312      | Collecting & Impounding Res   | P-6  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 313      | Lake, River & Other Intakes   | P-7  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 314      | Wells & Springs   | P-8  |  | \$                   | (350,000)           |
| 1            | To Disallow Investment of Elevated Storage Tank for Future Growth (Merceil) |      |  | \$ (350,000)         |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 315      | Infiltration Galleries & Tunnels  | P-9  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 316      | Supply Mains  | P-9  |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 316      | Supply Mains-North Plant  | P-10 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |

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**Adjustments To Plant In Service**

| Adjmt<br>No. | Description                                   |      |  | Total Water          |                     |
|--------------|---|------|--|----------------------|---------------------|
|              |   |      |  | Adjustment<br>Amount | Total<br>Adjustment |
| A/C 372      | T&D Equipment                                 | P-87 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 372.0    | T&D Equipment Influent Lift                   | P-88 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 374      | Outfall Sewer Lines                           | P-89 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 389.1    | Land & Land Rights                            | P-90 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 390      | S&I-Store, Shop & Garage                      | P-91 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 390.1    | S & I-Offices                                 | P-92 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 390.1    | S & I-Leasehold                               | P-93 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 390.1    | S & I-Leasehold - SCADA                       | P-94 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 390.3    | S&I-Misc                                      | P-95 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |
| A/C 391      | Office Furniture and Equipment                | P-96 |  | \$                   | (6,489,353)         |
| 1            | To Capitalize Cost                            |      |  | \$ 0                 |                     |
| 2            | To Remove Transition Cost - SSU               |      |  | (4,488,827)          |                     |
| 3            | To Remove Transition Cost - Alton Call Center |      |  | (2,000,526)          |                     |
| 4            |   |      |  | 0                    |                     |
| A/C 391.2    | Computers & Peripheral Equipment              | P-97 |  | \$                   | 0                   |
| 1            |   |      |  | \$ 0                 |                     |
| 2            |   |      |  | 0                    |                     |

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Depreciation Reserve

| Line | A/C No.<br>(A) | Plant Title<br>(B)               | Balance<br>12/31/2006<br>(C) | Total Water                  |           | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|----------------------------------|------------------------------|------------------------------|-----------|----------------------------------|-----------------------------------|
|      |                |                                  |                              | Adjustments<br>Amount<br>(D) | No<br>(E) |                                  |                                   |
| 1    |                | Intangible                       |                              |                              |           |                                  |                                   |
| 2    | 301            | Organization                     | \$ (25,007)                  | \$ 0                         | R-1       | \$ 0                             | \$ (25,007)                       |
| 3    | 302            | Franchise & Consents             | 0                            | 0                            | R-2       | 0                                | 0                                 |
| 4    | 303            | Miscellaneous Intangible         | 306,586                      | 0                            | R-3       | 340,048                          | 646,634                           |
| 5    |                | Total Intangible                 | \$ 281,579                   | \$ 0                         |           | \$ 340,048                       | \$ 621,627                        |
| 6    |                | Source of Supply                 |                              |                              |           |                                  |                                   |
| 7    | 310            | Land & Land Rights               | \$ 0                         | \$ 0                         | R-4       | \$ 0                             | \$ 0                              |
| 8    | 311            | Structures & Improvements        | 3,024,015                    | 0                            | R-5       | 0                                | 3,024,015                         |
| 9    | 312            | Collecting & Impounding Res      | 82,977                       | 0                            | R-6       | 0                                | 82,977                            |
| 10   | 313            | Lake, River & Other Intakes      | (594,244)                    | 0                            | R-7       | 0                                | (594,244)                         |
| 11   | 314            | Wells & Springs                  | 940,484                      | 0                            | R-8       | 0                                | 940,484                           |
| 12   | 315            | Infiltration Galleries & Tunnels | 0                            | 0                            | R-9       | 0                                | 0                                 |
| 13   | 316            | Supply Mains                     | 1,432,221                    | 0                            | R-9       | 0                                | 1,432,221                         |
| 14   | 316            | Supply Mains-North Plant         | 163,802                      | 0                            | R-10      | 0                                | 163,802                           |
| 15   | 316            | Supply Mains-Central Plant       | 1,877,888                    | 0                            | R-11      | 0                                | 1,877,888                         |
| 16   | 316            | Supply Mains-South Plant         | 326,233                      | 0                            | R-12      | 0                                | 326,233                           |
| 17   | 316            | Supply Mains-Meramec Plant       | 684,894                      | 0                            | R-13      | 0                                | 684,894                           |
| 18   | 317            | Other Source of Supply Plant     | 0                            | 0                            | R-14      | 0                                | 0                                 |
| 19   |                | Total Source of Supply           | \$ 7,938,270                 | \$ 0                         |           | \$ 0                             | \$ 7,938,270                      |
| 20   |                | Pumping                          |                              |                              |           |                                  |                                   |
| 21   | 320            | Land & Land Rights               | \$ 0                         | \$ 0                         | R-15      | \$ 0                             | \$ 0                              |
| 22   | 321            | S & I-Plant                      | 900,299                      | 0                            | R-16      | 0                                | 900,299                           |
| 23   | 321.1          | S & I-Pumps (STL)                | 2,429,373                    | 0                            | R-17      | 0                                | 2,429,373                         |
| 24   | 321.2          | S & I-Boosters                   | 775,506                      | 0                            | R-18      | 0                                | 775,506                           |
| 25   | 322            | Boiler Equipment                 | 0                            | 0                            | R-19      | 0                                | 0                                 |
| 26   | 323            | Other Power Prod. Equip.         | 68,518                       | 0                            | R-20      | 0                                | 68,518                            |
| 27   | 324            | Steam Pumping Equipment          | 0                            | 0                            | R-21      | 0                                | 0                                 |
| 28   | 325.1          | Electric Pumping Equipment       | 2,519,366                    | 0                            | R-22      | 0                                | 2,519,366                         |
| 29   | 325.2          | Pumping Equipment-Pre '46        | 19,627                       | 0                            | R-23      | 0                                | 19,627                            |
| 30   | 325.3          | Pumping Equipment-Post '46       | 12,754,971                   | 0                            | R-24      | 0                                | 12,754,971                        |
| 31   | 325            | Pumping Equipment-Booster        | 1,734,431                    | 0                            | R-25      | 0                                | 1,734,431                         |
| 32   | 326            | Diesel Pumping Equipment         | 30,680                       | 0                            | R-26      | 0                                | 30,680                            |
| 33   | 326            | Dsl Pump Equip-Stratman          | 16,837                       | 0                            | R-27      | 0                                | 16,837                            |
| 34   | 326            | Dsl Pump Equip-Central Plant     | 1,209,035                    | 0                            | R-28      | 0                                | 1,209,035                         |
| 35   | 327            | Pump Equip Hydraulic             | 0                            | 0                            | R-29      | 0                                | 0                                 |
| 36   | 328            | Other Pumping Equipment          | 131,752                      | 0                            | R-30      | 0                                | 131,752                           |
| 37   |                | Total Pumping                    | \$ 22,590,395                | \$ 0                         |           | \$ 0                             | \$ 22,590,395                     |
| 38   |                | Water Treatment Plant            |                              |                              |           |                                  |                                   |
| 39   | 330            | Land & Land Rights               | \$ 0                         | \$ 0                         | R-31      | \$ 0                             | \$ 0                              |
| 40   | 331            | Structures & Improvements        | 4,706,817                    | 0                            | R-32      | 0                                | 4,706,817                         |
| 41   | 331            | S & I - North Plant              | 2,312,100                    | 0                            | R-33      | 0                                | 2,312,100                         |
| 42   | 331            | S & I-Central 1 & 2              | 2,152,626                    | 0                            | R-34      | 0                                | 2,152,626                         |
| 43   | 331            | S & I-Central 3                  | 10,173,666                   | 0                            | R-35      | 0                                | 10,173,666                        |
| 44   | 331            | S & I-South Plant                | 1,240,837                    | 0                            | R-36      | 0                                | 1,240,837                         |
| 45   | 331            | S & I-Meramac                    | 4,056,295                    | 0                            | R-37      | 0                                | 4,056,295                         |
| 46   | 332            | WT Equip Non-Media               | 8,265,286                    | 0                            | R-38      | 0                                | 8,265,286                         |
| 47   | 332            | WT Equip-North Plant             | 3,794,263                    | 0                            | R-39      | 0                                | 3,794,263                         |

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Depreciation Reserve

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Total Water<br>Adjustments<br>(D) (E) |      | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|-------------------------------------|------------------------------|---------------------------------------|------|----------------------------------|-----------------------------------|
|      |                |                                     |                              | Amount                                | No.  |                                  |                                   |
| 48   | 332            | WT Equip-Central 1 & 2              | 2,208,159                    | 0                                     | R-40 | 0                                | 2,208,159                         |
| 49   | 332            | WT Equip-Central 3                  | 9,354,009                    | 0                                     | R-41 | 0                                | 9,354,009                         |
| 50   | 332            | WT Equip-South Plant                | 1,959,452                    | 0                                     | R-42 | 0                                | 1,959,452                         |
| 51   | 332            | WT Equip-Meramac                    | 4,291,035                    | 0                                     | R-43 | 0                                | 4,291,035                         |
| 52   | 332            | Other P/E Hand Equipment            | 79,969                       | 0                                     | R-44 | 0                                | 79,969                            |
| 53   | 332.4          | Equipment Filter Media              | 16,370                       | 0                                     | R-45 | 0                                | 16,370                            |
| 54   |                | Total Water Treatment Plant         | \$ 54,610,884                | \$ 0                                  |      | \$ 0                             | \$ 54,610,884                     |
| 55   |                | Transmission & Distribution         |                              |                                       |      |                                  |                                   |
| 56   | 340            | Land & Land Rights                  | \$ (741,641)                 | \$ 0                                  | R-46 | \$ 0                             | \$ (741,641)                      |
| 57   | 341            | Structures & Improvements           | 2,782,623                    | 0                                     | R-47 | 0                                | 2,782,623                         |
| 58   | 341.63         | S & I-Spec Cross                    | 322,127                      | 0                                     | R-48 | 0                                | 322,127                           |
| 59   | 342            | Distr. Res. & Standpipes            | 2,646,035                    | 0                                     | R-49 | 0                                | 2,646,035                         |
| 60   | 342            | Rsvr & Standpipe-Elev               | 997,489                      | 0                                     | R-50 | 0                                | 997,489                           |
| 61   | 342            | Rsvr & Standpipe-Ground             | 4,865,202                    | 0                                     | R-51 | 0                                | 4,865,202                         |
| 62   | 343            | T & D Mains (Not Classified)        | 19,013,899                   | 0                                     | R-52 | 0                                | 19,013,899                        |
| 63   | 343.1          | T & D Mains - 4" & Less             | 41,733                       | 0                                     | R-53 | 0                                | 41,733                            |
| 64   | 343.1          | T & D Mains AC 4 (STL)              | 973,612                      | 0                                     | R-54 | 0                                | 973,612                           |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            | 98,766                       | 0                                     | R-55 | 0                                | 98,766                            |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 1,565,572                    | 0                                     | R-56 | 0                                | 1,565,572                         |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          | 1,401,155                    | 0                                     | R-57 | 0                                | 1,401,155                         |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          | 13,385,805                   | 0                                     | R-58 | 0                                | 13,385,805                        |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          | 32,094,764                   | 0                                     | R-59 | 0                                | 32,094,764                        |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          | 33,842,986                   | 0                                     | R-60 | 0                                | 33,842,986                        |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         | 4,816                        | 0                                     | R-61 | 0                                | 4,816                             |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         | 43,242                       | 0                                     | R-62 | 0                                | 43,242                            |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 1,819,214                    | 0                                     | R-63 | 0                                | 1,819,214                         |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 692,566                      | 0                                     | R-64 | 0                                | 692,566                           |
| 75   | 343.3          | CI-12" (STL)                        | 5,374,164                    | 0                                     | R-65 | 0                                | 5,374,164                         |
| 76   | 343.3          | CI-16" (STL)                        | 9,277,824                    | 0                                     | R-66 | 0                                | 9,277,824                         |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           | 9,116,906                    | 0                                     | R-66 | 0                                | 9,116,906                         |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) | 15,046,558                   | 0                                     | R-67 | 0                                | 15,046,558                        |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           | 1,631,683                    | 0                                     | R-68 | 0                                | 1,631,683                         |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           | 14,185                       | 0                                     | R-69 | 0                                | 14,185                            |
| 81   | 344            | Fire Mains                          | 75,208                       | 0                                     | R-70 | 0                                | 75,208                            |
| 82   | 345            | Services                            | 5,169,306                    | 0                                     | R-71 | 0                                | 5,169,306                         |
| 83   | 346.1          | Meters-Bronze Case                  | 67,667                       | 0                                     | R-72 | 0                                | 67,667                            |
| 84   | 346.2          | Meters-Plastic Case                 | 7,927                        | 0                                     | R-73 | 0                                | 7,927                             |
| 85   | 346.3          | Meters-Other                        | 7,346,309                    | 0                                     | R-74 | 0                                | 7,346,309                         |
| 86   | 346.3          | Meters-Remote (ARB's)               | 1,740,073                    | 0                                     | R-75 | 0                                | 1,740,073                         |
| 87   | 347.1          | Meter Install                       | 3,610,136                    | 0                                     | R-76 | 0                                | 3,610,136                         |
| 88   | 347.2          | Meter Install-Other                 | 3,884,965                    | 0                                     | R-77 | 0                                | 3,884,965                         |
| 89   | 348            | Hydrants                            | 15,104,420                   | 0                                     | R-78 | 0                                | 15,104,420                        |
| 90   | 349            | Other T&D Plant                     | 7,857                        | 0                                     | R-79 | 0                                | 7,857                             |
| 91   |                | Total Transmission & Distribution   | \$ 193,325,153               | \$ 0                                  |      | \$ 0                             | \$ 193,325,153                    |

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Depreciation Reserve

| Line | A/C No.<br>(A) | Plant Title<br>(B)               | Balance<br>12/31/2006<br>(C) | Total Water   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 92   |                | Sewer Plant                      |                              |               |            |                                  |                                   |
| 93   | 351.0          | Structures & Improvements        | \$ 0                         | \$ 0          | R-80       | \$ 0                             | \$ 0                              |
| 94   | 352.1          | Collection Sewers Forced         |                              | 0             | R-81       | 0                                | 0                                 |
| 95   | 352.2          | Collecting Mains                 |                              | 0             | R-82       | 0                                | 0                                 |
| 96   | 352.2          | Collecting Mains Other           |                              | 0             | R-83       | 0                                | 0                                 |
| 97   | 353.0          | Service to Customers             |                              | 0             | R-84       | 0                                | 0                                 |
| 98   | 363.0          | Electric Pumping Equipment       |                              | 0             | R-85       | 0                                | 0                                 |
| 99   | 370.1          | Land & Land Rights               |                              | 0             | R-86       | 0                                | 0                                 |
| 100  | 372            | T&D Equipment                    | 0                            | 0             | R-87       | 0                                | 0                                 |
| 101  | 372.0          | T&D Equipment Influent Lift      | 0                            | 0             | R-88       | 0                                | 0                                 |
| 102  | 374            | Outfall Sewer Lines              | 0                            | 0             | R-89       | 0                                | 0                                 |
| 103  |                | Total Sewer Plant                | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 104  |                | General Plant                    |                              |               |            |                                  |                                   |
| 105  | 389            | Land & Land Rights               | \$ 0                         | \$ 0          | R-90       | \$ 0                             | \$ 0                              |
| 106  | 390            | S&I-Store, Shop & Garage         | 43,016                       | 0             | R-91       | 0                                | 43,016                            |
| 107  | 390.1          | S & I-Offices                    | 237,568                      | 0             | R-92       | (160,311)                        | 77,257                            |
| 108  | 390.1          | S & I-Leasehold                  | (54,392)                     | 0             | R-93       | 0                                | (54,392)                          |
| 109  | 390.1          | S & I-Leasehold - SCADA          | 238,120                      | 0             | R-94       | 0                                | 238,120                           |
| 110  | 390.3          | S&I-Misc                         | 1,112,687                    | 0             | R-95       | 0                                | 1,112,687                         |
| 111  | 391            | Office Furniture and Equipment   | 2,174,808                    | (914,350)     | R-96       | (21,980)                         | 1,238,478                         |
| 112  | 391.2          | Computers & Peripheral Equipment | 398,659                      | 0             | R-97       | 119,604                          | 518,263                           |
| 113  | 391.25         | Computer Software                | 512,890                      | 0             | R-98       | 2,588,675                        | 3,101,565                         |
| 114  | 391.26         | Computer Software Personal       | (5,831)                      | 0             | R-99       | 25,115                           | 19,284                            |
| 115  | 391.3          | Data Handling Equipment          | 52,012                       | 0             | R-100      | 0                                | 52,012                            |
| 116  | 391.3          | Other Office Equipment           | 114,774                      | 0             | R-101      | 8,895                            | 123,669                           |
| 117  | 392.11         | Trans Equipment-Lt Duty Trucks   | 1,334,582                    | 0             | R-102      | 62,007                           | 1,396,589                         |
| 118  | 392.12         | Trans Equipment-Hvy Duty Trucks  | 3,071,129                    | 0             | R-103      | 0                                | 3,071,129                         |
| 119  | 392.2          | Trans Equipment-Autos            | 524,665                      | 0             | R-104      | 121,685                          | 646,350                           |
| 120  | 392.3          | Trans Equipment Other            | 306,205                      | 0             | R-105      | 0                                | 306,205                           |
| 121  | 393            | Stores Equipment                 | (255,368)                    | 0             | R-106      | 0                                | (255,368)                         |
| 122  | 394            | Tools, Shop & Garage Equipment   | 1,365,144                    | 0             | R-107      | 5,214                            | 1,370,358                         |
| 123  | 394            | Tools, Shop & Garage Equip Other | 1,982,038                    | 0             | R-108      | 0                                | 1,982,038                         |
| 124  | 395            | Laboratory Equipment             | 722,287                      | 0             | R-109      | 0                                | 722,287                           |
| 125  | 395            | Laboratory Equipment Other       | 197,485                      | 0             | R-110      | 0                                | 197,485                           |
| 126  | 396            | Power Operated Equipment         | 869,865                      | 0             | R-111      | 0                                | 869,865                           |
| 127  | 397            | Comm Equipment-Non-Tele          | 658,093                      | 0             | R-112      | 11,363                           | 669,456                           |
| 128  | 397.2          | Comm Equipment-Tele              | 87,059                       | 0             | R-113      | 14,108                           | 101,167                           |
| 129  | 398            | Miscellaneous                    | 248,953                      | 0             | R-114      | 3,109                            | 252,062                           |
| 130  | 399            | Other Tangible Property          | 244,280                      | 0             | R-115      | 0                                | 244,280                           |
| 131  |                | Total General Plant              | \$ 16,180,728                | \$ (914,350)  |            | \$ 2,777,485                     | \$ 18,043,863                     |
| 132  |                | Not Classified                   | 9,600                        | 0             | R-116      | 0                                | 9,600                             |
| 133  |                | Total Depreciation Reserve       | \$ 294,936,609               | \$ (914,350)  |            | \$ 3,117,533                     | \$ 297,139,792                    |

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Adjustments To Reserve

| Adjmt<br>No | Description                          |       |  | Total Water          |                     |
|-------------|--------------------------------------|-------|--|----------------------|---------------------|
|             |                                      |       |  | Adjustment<br>Amount | Total<br>Adjustment |
| A/C 390.3   | S&I-Misc                             | R-95  |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 391     | Office Furniture and Equipment       | R-96  |  | \$                   | (914,350)           |
| 1           | To Remove Transition Cost - SSU      |       |  | \$                   | (632,476)           |
| 2           | To Remove Transition Cost - Alton CC |       |  |                      | (281,874)           |
| 3           | To Adjust for Capitalized Cost       |       |  |                      | 0                   |
| 4           |                                      |       |  |                      |                     |
| A/C 391.2   | Computers & Peripheral Equipment     | R-97  |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 391.25  | Computer Software                    | R-98  |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 391.26  | Computer Software Personal           | R-99  |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 391.3   | Data Handling Equipment              | R-100 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 391.3   | Other Office Equipment               | R-101 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 392.11  | Trans Equipment-Lt Duty Trucks       | R-102 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 392.12  | Trans Equipment-Hvy Duty Trucks      | R-103 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 392.2   | Trans Equipment-Autos                | R-104 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 392.3   | Trans Equipment Other                | R-105 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |
| 2           |                                      |       |  |                      | 0                   |
| A/C 393     | Stores Equipment                     | R-106 |  | \$                   | 0                   |
| 1           |                                      |       |  | \$                   | 0                   |

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Depreciation Expense

| Line | A/C   | Plant Title                      | Total Adjusted<br>Water Plant | Composite<br>Depreciation<br>Rate | Total Water                          |   |                                      |
|------|-------|----------------------------------|-------------------------------|-----------------------------------|--------------------------------------|---|--------------------------------------|
|      | No.   |                                  |                               |                                   | District<br>Specific<br>Depreciation | Corporate<br>Depreciation<br>Distribution | Total Water<br>Plant<br>Depreciation |
|      | (A)   | (B)                              | (C)                           | (D)                               | (E)                                  | (F)                                       | (G)                                  |
| 1    |       | Intangible                       |                               |                                   |                                      |   |                                      |
| 2    | 301   | Organization                     | \$ 178,288                    | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 3    | 302   | Franchise & Consents             | 39,500                        | 0.00%                             | 0                                    | 0   | 0                                    |
| 4    | 303   | Miscellaneous Intangible         | 338,942                       | 0.00%                             | 0                                    | 0   | 0                                    |
| 5    |       | Total Intangible                 | \$ 556,730                    |                                   | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 6    |       | Source of Supply                 |                               |                                   |                                      |   |                                      |
| 7    | 310   | Land & Land Rights               | \$ 1,707,294                  | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 8    | 311   | Structures & Improvements        | 10,604,137                    | 2.45%                             | 259,801                              | 0   | 259,801                              |
| 9    | 312   | Collecting & Impounding Res      | 111,066                       | 1.25%                             | 1,388                                | 0   | 1,388                                |
| 10   | 313   | Lake, River & Other Intakes      | 447,399                       | 1.77%                             | 7,919                                | 0   | 7,919                                |
| 11   | 314   | Wells & Springs                  | 6,309,423                     | 1.67%                             | 105,367                              | 0   | 105,367                              |
| 12   | 315   | Infiltration Galleries & Tunnels | 1,804                         | 1.67%                             | 30                                   | 0   | 30                                   |
| 13   | 316   | Supply Mains                     | 10,960,950                    | 1.60%                             | 175,375                              | 0   | 175,375                              |
| 14   | 316   | Supply Mains-North Plant         | 245,687                       | 1.60%                             | 3,931                                | 0   | 3,931                                |
| 15   | 316   | Supply Mains-Central Plant       | 3,929,522                     | 1.60%                             | 62,872                               | 0   | 62,872                               |
| 16   | 316   | Supply Mains-South Plant         | 337,448                       | 1.60%                             | 5,399                                | 0   | 5,399                                |
| 17   | 316   | Supply Mains-Meramec Plant       | 1,313,864                     | 1.60%                             | 21,022                               | 0   | 21,022                               |
| 18   | 317   | Other Source of Supply Plant     | 1,730                         | 4.00%                             | 69                                   | 0   | 69                                   |
| 19   |       | Total Source of Supply           | \$ 35,970,324                 |                                   | \$ 643,175                           | \$ 0                                      | \$ 643,175                           |
| 20   |       | Pumping                          |                               |                                   |                                      |   |                                      |
| 21   | 320   | Land & Land Rights               | \$ 367,015                    | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 22   | 321   | S & I-Plant                      | 7,905,787                     | 1.73%                             | 136,770                              | 0   | 136,770                              |
| 23   | 321.1 | S & I-Pumps (STL)                | 4,848,057                     | 1.73%                             | 83,871                               | 0   | 83,871                               |
| 24   | 321.2 | S & I-Boosters                   | 2,718,024                     | 1.73%                             | 47,022                               | 0   | 47,022                               |
| 25   | 322   | Boiler Equipment                 | 348                           | 2.00%                             | 7                                    | 0   | 7                                    |
| 26   | 323   | Other Power Prod. Equip.         | 332,106                       | 2.00%                             | 6,642                                | 0   | 6,642                                |
| 27   | 324   | Steam Pumping Equipment          | 6,907                         | 0.00%                             | 0                                    | 0   | 0                                    |
| 28   | 325.1 | Electric Pumping Equipment       | 13,774,371                    | 2.44%                             | 336,095                              | 0   | 336,095                              |
| 29   | 325.2 | Pumping Equipment-Pre '46        | 874,158                       | 2.44%                             | 21,329                               | 0   | 21,329                               |
| 30   | 325.3 | Pumping Equipment-Post '46       | 25,323,220                    | 2.44%                             | 617,887                              | 0   | 617,887                              |
| 31   | 325   | Pumping Equipment-Booster        | 1,493,074                     | 2.44%                             | 36,431                               | 0   | 36,431                               |
| 32   | 326   | Diesel Pumping Equipment         | 145,006                       | 2.44%                             | 3,538                                | 0   | 3,538                                |
| 33   | 326   | Dsl Pump Equip-Stratman          | 207,946                       | 2.44%                             | 5,074                                | 0   | 5,074                                |
| 34   | 326   | Dsl Pump Equip-Central Plant     | 1,698,803                     | 2.44%                             | 41,451                               | 0   | 41,451                               |
| 35   | 327   | Pump Equip Hydraulic             | 81,548                        | 2.44%                             | 1,990                                | 0   | 1,990                                |
| 36   | 328   | Other Pumping Equipment          | 501,764                       | 2.44%                             | 12,243                               | 0   | 12,243                               |
| 37   |       | Total Pumping                    | \$ 60,278,134                 |                                   | \$ 1,350,350                         | \$ 0                                      | \$ 1,350,350                         |
| 38   |       | Water Treatment Plant            |                               |                                   |                                      |   |                                      |
| 39   | 330   | Land & Land Rights               | \$ 1,455,587                  | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 40   | 331   | Structures & Improvements        | 33,406,424                    | 1.63%                             | 544,525                              | 0   | 544,525                              |
| 41   | 331   | S & I - North Plant              | 5,897,100                     | 1.63%                             | 96,123                               | 0   | 96,123                               |
| 42   | 331   | S & I-Central 1 & 2              | 2,679,748                     | 1.63%                             | 43,680                               | 0   | 43,680                               |
| 43   | 331   | S & I-Central 3                  | 21,452,569                    | 1.63%                             | 349,677                              | 0   | 349,677                              |
| 44   | 331   | S & I-South Plant                | 2,375,351                     | 1.63%                             | 38,718                               | 0   | 38,718                               |
| 45   | 331   | S & I-Meramac                    | 9,171,169                     | 1.63%                             | 149,490                              | 0   | 149,490                              |
| 46   | 332   | WT Equip Non-Media               | 36,268,103                    | 2.78%                             | 1,008,253                            | 0   | 1,008,253                            |
| 47   | 332   | WT Equip-North Plant             | 7,179,235                     | 2.78%                             | 199,583                              | 0   | 199,583                              |
| 48   | 332   | WT Equip-Central 1 & 2           | 2,256,219                     | 2.78%                             | 62,723                               | 0   | 62,723                               |
| 49   | 332   | WT Equip-Central 3               | 21,805,467                    | 2.78%                             | 606,192                              | 0   | 606,192                              |
| 50   | 332   | WT Equip-South Plant             | 2,628,630                     | 2.78%                             | 73,076                               | 0   | 73,076                               |
| 51   | 332   | WT Equip-Meramac                 | 7,355,932                     | 2.78%                             | 204,495                              | 0   | 204,495                              |
| 52   | 332   | Other P/E Hand Equipment         | 1,481,666                     | 3.33%                             | 49,339                               | 0   | 49,339                               |
| 53   | 332.4 | Equipment Filter Media           | 1,077,545                     | 2.78%                             | 29,956                               | 0   | 29,956                               |
| 54   |       | Total Water Treatment Plant      | \$ 156,490,745                |                                   | \$ 3,455,829                         | \$ 0                                      | \$ 3,455,829                         |



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Depreciation Expense

| Line | A/C No. | Plant Title                         | Total Adjusted Water Plant | Composite Depreciation Rate | Total Water                    |      | Corporate Depreciation Distribution | Total Water Plant Depreciation |
|------|---------|-------------------------------------|----------------------------|-----------------------------|--------------------------------|------|-------------------------------------|--------------------------------|
|      |         |                                     |                            |                             | District Specific Depreciation |      |                                     |                                |
|      | (A)     | (B)                                 | (C)                        | (D)                         | (E)                            |      | (F)                                 | (G)                            |
| 55   |         | Transmission & Distribution         |                            |                             |                                |      |                                     |                                |
| 56   | 340     | Land & Land Rights                  | \$ 4,728,291               | 0.00%                       | \$ 0                           | \$ 0 | \$ 0                                | 0                              |
| 57   | 341     | Structures & Improvements           | 6,974,157                  | 2.67%                       | 186,210                        | 0    | 186,210                             |                                |
| 58   | 341.63  | S & I-Spec Cross                    | 267,357                    | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 59   | 342     | Distr. Res. & Standpipes            | 7,603,095                  | 2.25%                       | 171,070                        | 0    | 171,070                             |                                |
| 60   | 342     | Rsvr & Standpipe-Elev               | 5,869,922                  | 2.25%                       | 132,073                        | 0    | 132,073                             |                                |
| 61   | 342     | Rsvr & Standpipe-Ground             | 10,591,293                 | 2.25%                       | 238,304                        | 0    | 238,304                             |                                |
| 62   | 343     | T & D Mains (Not Classified)        | 33,101,975                 | 1.50%                       | 496,530                        | 0    | 496,530                             |                                |
| 63   | 343.1   | T & D Mains - 4" & Less             | 4,024,296                  | 1.50%                       | 60,364                         | 0    | 60,364                              |                                |
| 64   | 343.1   | T & D Mains AC 4 (STL)              | 2,827,541                  | 1.50%                       | 42,413                         | 0    | 42,413                              |                                |
| 65   | 343.1   | T & D Mains Galv 1 (STL)            | 50,188                     | 1.50%                       | 753                            | 0    | 753                                 |                                |
| 66   | 343.2   | T & D Mains - 6" to 8"              | 43,385,008                 | 1.50%                       | 650,775                        | 0    | 650,775                             |                                |
| 67   | 343.2   | CI-10" & Smaller-1900-1928          | 2,800,809                  | 1.50%                       | 42,012                         | 0    | 42,012                              |                                |
| 68   | 343.2   | CI-10" & Smaller 1929-1956          | 17,273,037                 | 1.50%                       | 259,096                        | 0    | 259,096                             |                                |
| 69   | 343.2   | CI-10" & Smaller-1957-1993          | 53,099,538                 | 1.50%                       | 796,493                        | 0    | 796,493                             |                                |
| 70   | 343.2   | T & D Mains - DI 6-8 (STL)          | 242,693,826                | 1.50%                       | 3,640,407                      | 0    | 3,640,407                           |                                |
| 71   | 343.2   | T & D Mains - DI 6-10" (TN)         | 7,101                      | 1.50%                       | 107                            | 0    | 107                                 |                                |
| 72   | 343.2   | T & D Mains - PL 6-8" (STL)         | 666,787                    | 1.50%                       | 10,002                         | 0    | 10,002                              |                                |
| 73   | 343.3   | T & D Mains - 10" to 16"            | 46,077,117                 | 1.50%                       | 691,157                        | 0    | 691,157                             |                                |
| 74   | 343.3   | T & D Mains - 18" & Greater         | 13,651,081                 | 1.50%                       | 204,766                        | 0    | 204,766                             |                                |
| 75   | 343.3   | CI-12" (STL)                        | 13,026,543                 | 1.50%                       | 195,398                        | 0    | 195,398                             |                                |
| 76   | 343.3   | CI-16" (STL)                        | 19,124,068                 | 1.50%                       | 286,861                        | 0    | 286,861                             |                                |
| 77   | 343.3   | T & D Mains - DI 12 (STL)           | 59,333,118                 | 1.50%                       | 889,997                        | 0    | 889,997                             |                                |
| 78   | 343.3   | T & D Mains - DI 16 & Greater (STL) | 106,941,041                | 1.50%                       | 1,604,116                      | 0    | 1,604,116                           |                                |
| 79   | 343.3   | T & D Mains - LJ 20 (STL)           | 4,499,594                  | 1.50%                       | 67,494                         | 0    | 67,494                              |                                |
| 80   | 343.3   | T & D Mains - PL 12 (STL)           | 274,277                    | 1.50%                       | 4,114                          | 0    | 4,114                               |                                |
| 81   | 344     | Fire Mains                          | 529,359                    | 1.50%                       | 7,940                          | 0    | 7,940                               |                                |
| 82   | 345     | Services                            | 23,175,266                 | 3.08%                       | 713,798                        | 0    | 713,798                             |                                |
| 83   | 346.1   | Meters-Bronze Case                  | 5,656,199                  | 2.43%                       | 137,446                        | 0    | 137,446                             |                                |
| 84   | 346.2   | Meters-Plastic Case                 | 90,711                     | 2.43%                       | 2,204                          | 0    | 2,204                               |                                |
| 85   | 346.3   | Meters-Other                        | 20,627,427                 | 2.43%                       | 501,246                        | 0    | 501,246                             |                                |
| 86   | 346.3   | Meters-Remote (ARB's)               | 4,192,376                  | 2.43%                       | 101,875                        | 0    | 101,875                             |                                |
| 87   | 347.1   | Meter Install                       | 16,108,748                 | 2.43%                       | 391,443                        | 0    | 391,443                             |                                |
| 88   | 347.2   | Meter Install-Other                 | 9,622,440                  | 2.43%                       | 233,825                        | 0    | 233,825                             |                                |
| 89   | 348     | Hydrants                            | 48,675,649                 | 1.92%                       | 934,572                        | 0    | 934,572                             |                                |
| 90   | 349     | Other T&D Plant                     | 35,406                     | 2.00%                       | 708                            | 0    | 708                                 |                                |
| 91   |         | Total Transmission & Distribution   | \$ 827,604,641             |                             | \$ 13,695,569                  | \$ 0 | \$ 13,695,569                       |                                |
| 92   |         | Sewer Plant                         |                            |                             |                                |      |                                     |                                |
| 93   | 351.0   | Structures & Improvements           | \$ 0                       | 0.00%                       | \$ 0                           | \$ 0 | \$ 0                                | 0                              |
| 94   | 352.1   | Collection Sewers Forced            | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 95   | 352.2   | Collecting Mains                    | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 96   | 352.2   | Collecting Mains Other              | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 97   | 353.0   | Service to Customers                | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 98   | 363.0   | Electric Pumping Equipment          | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 99   | 370.1   | Land & Land Rights                  | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 100  | 372     | T&D Equipment                       | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 101  | 372.0   | T&D Equipment Influent Lift         | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 102  | 374     | Outfall Sewer Lines                 | 0                          | 0.00%                       | 0                              | 0    | 0                                   |                                |
| 103  |         | Total Sewer Plant                   | \$ 0                       |                             | \$ 0                           | \$ 0 | \$ 0                                | 0                              |
| 104  |         | General Plant                       |                            |                             |                                |      |                                     |                                |
| 105  | 389     | Land & Land Rights                  | \$ 20,431                  | 0.00%                       | \$ 0                           | \$ 0 | \$ 0                                | 0                              |
| 106  | 390     | S&I-Store, Shop & Garage            | 600,046                    | 2.40%                       | 14,401                         | 0    | 14,401                              |                                |
| 107  | 390.1   | S & I-Offices                       | 905,852                    | 2.40%                       | 21,740                         | 0    | 21,740                              |                                |
| 108  | 390.1   | S & I-Leasehold                     | 5,796                      | 5.00%                       | 290                            | 0    | 290                                 |                                |

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Depreciation Expense

| Line | A/C<br>No. | Plant Title                      | Total Adjusted<br>Water Plant | Composite<br>Depreciation<br>Rate | Total Water                          |   |                                      |
|------|------------|----------------------------------|-------------------------------|-----------------------------------|--------------------------------------|---|--------------------------------------|
|      |            |                                  |                               |                                   | District<br>Specific<br>Depreciation | Corporate<br>Depreciation<br>Distribution | Total Water<br>Plant<br>Depreciation |
|      | (A)        | (B)                              | (C)                           | (D)                               | (E)                                  | (F)                                       | (G)                                  |
| 109  | 390.1      | S & I-Leasehold - SCADA          | 339,728                       | 5.00%                             | 16,986                               | 0   | 16,986                               |
| 110  | 390.3      | S&I-Misc                         | 3,695,334                     | 2.40%                             | 88,688                               | 0   | 88,688                               |
| 111  | 391        | Office Furniture and Equipment   | 2,455,676                     | 4.00%                             | 68,126                               | 30,101                                    | 98,227                               |
| 112  | 391.2      | Computers & Peripheral Equipment | 5,622,485                     | 14.29%                            | 473,797                              | 329,656                                   | 803,453                              |
| 113  | 391.25     | Computer Software                | 8,795,815                     | 14.29%                            | 389,762                              | 867,160                                   | 1,256,922                            |
| 114  | 391.26     | Computer Software Personal       | 251,109                       | 14.29%                            | 19,068                               | 16,815                                    | 35,884                               |
| 115  | 391.3      | Data Handling Equipment          | 342,896                       | 6.67%                             | 22,871                               | 0   | 22,871                               |
| 116  | 391.3      | Other Office Equipment           | 439,455                       | 6.67%                             | 28,365                               | 946                                       | 29,312                               |
| 117  | 392.11     | Trans Equipment-Lt Duty Trucks   | 786,073                       | 0.00%                             | 0                                    | 0   | 0                                    |
| 118  | 392.12     | Trans Equipment-Hvy Duty Trucks  | 4,163,904                     | 8.33%                             | 346,853                              | 0   | 346,853                              |
| 119  | 392.2      | Trans Equipment-Autos            | 537,810                       | 0.00%                             | 0                                    | 0   | 0                                    |
| 120  | 392.3      | Trans Equipment Other            | 61,997                        | 0.00%                             | 0                                    | 0   | 0                                    |
| 121  | 393        | Stores Equipment                 | 333,911                       | 2.86%                             | 9,550                                | 0   | 9,550                                |
| 122  | 394        | Tools, Shop & Garage Equipment   | 2,780,867                     | 5.00%                             | 138,218                              | 826                                       | 139,043                              |
| 123  | 394        | Tools, Shop & Garage Equip Other | 3,934,335                     | 5.00%                             | 196,717                              | 0   | 196,717                              |
| 124  | 395        | Laboratory Equipment             | 1,744,429                     | 4.00%                             | 69,777                               | 0   | 69,777                               |
| 125  | 395        | Laboratory Equipment Other       | 285,859                       | 4.00%                             | 11,434                               | 0   | 11,434                               |
| 126  | 396        | Power Operated Equipment         | 1,226,159                     | 6.82%                             | 83,624                               | 0   | 83,624                               |
| 127  | 397        | Comm Equipment-Non-Tele          | 1,342,158                     | 5.00%                             | 66,996                               | 112                                       | 67,108                               |
| 128  | 397.2      | Comm Equipment-Tele              | 133,230                       | 6.67%                             | 6,556                                | 2,331                                     | 8,886                                |
| 129  | 398        | Miscellaneous                    | 1,693,301                     | 5.00%                             | 84,125                               | 540                                       | 84,665                               |
| 130  | 399        | Other Tangible Property          | 927,075                       | 5.00%                             | 46,354                               | 0   | 46,354                               |
| 131  |            | Total General Plant              | \$ 43,425,731                 |                                   | \$ 2,204,299                         | \$ 1,248,487                              | \$ 3,452,786                         |
| 132  |            | Total Depreciation Expense       | \$ 1,124,326,305              |                                   | \$ 21,349,222                        | \$ 1,248,487                              | \$ 22,597,709                        |

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**Cash Working Capital**

| Line | Description<br>(A)   | Total Water   |                                    |                       |                                    |  | Cash Working<br>Capital<br>Requirement<br>(Sum of Districts)<br>(G) |
|------|--|---|------------------------------------|-----------------------|------------------------------------|--|---|
|      |  | Adjusted Test<br>Year Expenses<br>(Sum of Districts)<br>(B) | Revenue<br>Lag<br>Composite<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(E)(C)(D)<br>(E) | Com-posite<br>Factor<br>(F)(E)(B)<br>(F) |   |
| 1    | Operation & Maintenance Expense  |   |                                    |                       |                                    |  |   |
| 2    | Base Payroll   | \$ 11,443,097   | 55.96                              | 13.00                 | 42.96                              | 0.1177                                   | \$ 1,346,993  |
| 3    | Payroll Withholdings:  |   |                                    |                       |                                    |  |   |
| 4    | FICA - Employee Portion  | 1,589,759   | 55.95                              | 16.19                 | 39.76                              | 0.1089                                   | 173,163   |
| 5    | Federal Income Taxes Withheld  | 3,752,819   | 55.95                              | 16.19                 | 39.76                              | 0.1089                                   | 408,775   |
| 6    | State Income Taxes Withheld  | 1,217,978   | 55.94                              | 18.19                 | 37.75                              | 0.1034                                   | 125,980   |
| 7    | 401(k)   | 2,181,514   | 55.95                              | 38.82                 | 17.13                              | 0.0469                                   | 102,366   |
| 8    | EIP  | 168,689   | 55.95                              | 38.82                 | 17.13                              | 0.0469                                   | 7,917   |
| 9    | Fuel & Power   | 8,235,678   | 56.21                              | 37.20                 | 19.01                              | 0.0521                                   | 428,925   |
| 10   | Chemicals  | 6,882,021   | 0.00                               | 0.00                  | 0.00                               | 0.0000                                   | 0   |
| 11   | Materials and Supplies   | 2,672,624   | 0.00                               | 0.00                  | 0.00                               | 0.0000                                   | 0   |
| 12   | Purchased Water  | 928,312   | 45.06                              | 42.45                 | 2.61                               | 0.0071                                   | 6,630   |
| 13   | Management Fees  | 23,016,189  | 55.82                              | 21.41                 | 34.41                              | 0.0943                                   | 2,169,930   |
| 14   | Group Insurance  | 4,602,630   | 55.24                              | (7.50)                | 62.74                              | 0.1719                                   | 791,131   |
| 15   | OPEB's   | 1,022,734   | 55.95                              | 3.41                  | 52.54                              | 0.1439                                   | 147,204   |
| 16   | Pensions   | 2,878,811   | 55.94                              | 17.58                 | 38.36                              | 0.1051                                   | 302,576   |
| 17   | EIP - Employer Match   | (37,290)  | 55.88                              | 38.82                 | 17.06                              | 0.0467                                   | (1,743)   |
| 18   | 401(k) - Employer Match  | 406,020   | 57.07                              | 38.82                 | 18.25                              | 0.0500                                   | 20,306  |
| 19   | Insurance Other Than Group   | 3,838,421   | 55.94                              | 42.44                 | 13.50                              | 0.0370                                   | 141,935   |
| 20   | Uncollectible Accounts   | 1,677,397   | 0.00                               | 0.00                  | 0.00                               | 0.0000                                   | 0   |
| 21   | Rents  | 360,243   | 54.70                              | (9.96)                | 64.66                              | 0.1772                                   | 63,822  |
| 22   | Cash Vouchers  | 11,493,279  | 54.90                              | 21.41                 | 33.49                              | 0.0918                                   | 1,054,648   |
| 23   | Total Operation & Maintenance Expense                                  | \$ 88,330,925   |                                    |                       |                                    |  | \$ 7,290,558  |
| 24   | Taxes Other Than Income  |   |                                    |                       |                                    |  |   |
| 25   | FICA - Employer Portion  | 1,589,759   | 55.95                              | 16.19                 | 39.76                              | 0.1089                                   | \$ 173,163  |
| 26   | Federal Unemployment   | 22,967  | 55.53                              | 76.38                 | (20.85)                            | (0.0571)                                 | (1,312)   |
| 27   | State Unemployment   | 58,843  | 55.51                              | 76.38                 | (20.87)                            | (0.0572)                                 | (3,364)   |
| 28   | Property Taxes   | 9,627,647   | 55.12                              | 182.50                | (127.38)                           | (0.3490)                                 | (3,359,829)   |
| 29   | Franchise Tax  | 252,266   | 54.39                              | (77.50)               | 131.89                             | 0.3613                                   | 91,151  |
| 30   | PSC Assessment   | 1,105,152   | 55.78                              | (31.63)               | 87.41                              | 0.2395                                   | 264,666   |
| 31   | Total Taxes Other Than Income  | \$ 12,656,634   |                                    |                       |                                    |  | \$ (2,835,525)  |
| 32   | Other Expenses   |   |                                    |                       |                                    |  |   |
| 33   | Gross Receipts Tax   | 11,603,379  | 25.54                              | 47.37                 | (21.83)                            | (0.0598)                                 | (693,976)   |
| 34   | Sales Tax  | 941,031   | 0.02                               | 8.12                  | (8.10)                             | (0.0222)                                 | (20,890)  |
| 35   | Missouri Primacy Fees  | 752,180   | 24.72                              | 243.50                | (218.78)                           | (0.5994)                                 | (450,861)   |
| 36   | Total Other Expenses   | \$ 13,296,589   |                                    |                       |                                    |  | \$ (1,165,727)  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |   |                                    |                       |                                    |  | <b>\$ 3,289,306</b>   |
| 38   | Interest Expense   | \$ 15,264,740   | 53.76                              | 108.85                | (55.09)                            | (0.1509)                                 | \$ (2,304,038)  |
| 39   | Federal Income Tax   | \$ 9,057,645  | 52.88                              | 37.00                 | 15.88                              | 0.0435                                   | \$ 393,954  |
| 40   | State Income Tax   | \$ 1,423,344  | 52.89                              | 58.95                 | (6.06)                             | (0.0166)                                 | \$ (23,644)   |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Statement**

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Total Water<br>Adjustment |           | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>[(B)+(C)+(E)]<br>(F) |
|------|--------------------------------|--|---------------------------|-----------|--|--|
|      |                                |  | Amount<br>(C)             | No<br>(D) |  |  |
| 1    | Operating Revenues:            |  |                           |           |  |  |
| 2    | Residential Revenue            | \$ 102,388,692                         | \$ 1,916,881              | S-1       | \$ 0   | \$ 104,305,573                                   |
| 3    | Commercial Revenue             | 30,510,065                             | 869,513                   | S-2       | 35   | 31,379,613                                       |
| 4    | Industrial Revenue             | 10,439,899                             | 12,123                    | S-3       | 0  | 10,452,022                                       |
| 5    | Private Fire                   | 1,603,897                              | (17,223)                  | S-4       | 0  | 1,586,674  |
| 6    | Public Fire                    | 5,970,292                              | (15)                      | S-5       | 0  | 5,970,277  |
| 7    | Public Authorities             | 2,885,222                              | 43,830                    | S-6       | 0  | 2,929,052  |
| 8    | Sales For Resale               | 7,008,188                              | 545,898                   | S-7       | 0  | 7,554,086  |
| 9    | Other Revenue                  | 2,500,627                              | 0                         | S-8       | 202,334                                      | 2,702,961  |
| 10   | Total Revenues                 | \$ 163,306,882                         | \$ 3,371,007              |           | \$ 202,369                                   | \$ 166,880,258                                   |
| 11   | Operating Expenses:            |  |                           |           |  |  |
| 12   | Operation & Maintenance:       |  |                           |           |  |  |
| 13   | Source of Supply               | 1,853,881                              | 635,208                   | S-9       | 621  | 2,489,710  |
| 14   | Pumping                        | 9,522,300                              | 376,526                   | S-10      | (162,108)                                    | 9,736,718  |
| 15   | Water Treatment                | 11,175,786                             | (86,013)                  | S-11      | 1,328  | 11,091,101                                       |
| 16   | Transmission & Distribution    | 13,489,819                             | 150,126                   | S-12      | 6,805  | 13,646,750                                       |
| 17   | Customer Accounts              | 2,633,190                              | (142,241)                 | S-13      | 3,683,662                                    | 6,174,611  |
| 18   | Administrative & General       | 1,196,600                              | 9,913,432                 | S-14      | 34,082,002                                   | 45,192,034                                       |
| 19   | Total O & M Expense            | \$ 39,871,576                          | \$ 10,847,038             |           | \$ 37,612,311                                | \$ 88,330,925                                    |
| 20   | Other Operating Expenses:      |  |                           |           |  |  |
| 21   | Depreciation - Plant           | 14,381,027                             | 4,671,354                 | S-15      | 1,248,487                                    | 20,300,868                                       |
| 22   | Amortization                   | 0                                      | 0                         | S-16      | 29,735                                       | 29,735   |
| 23   | Taxes Other Than Income        | 10,687,905                             | 536,662                   | S-17      | 1,432,067                                    | 12,656,634                                       |
| 24   | Total Other Operating Expense  | \$ 25,068,932                          | \$ 5,208,016              |           | \$ 2,710,290                                 | \$ 32,987,238                                    |
| 25   | Total Operating Expenses       | 64,940,508                             | 16,055,054                |           | 40,322,600                                   | 121,318,162                                      |
| 26   | Net Income Before Income Taxes | \$ 98,366,374                          | \$ (12,684,047)           |           | \$ (40,120,231)                              | \$ 45,562,096                                    |
| 27   | Income Taxes:                  |  |                           |           |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ 6,012,458              | S-18      | \$ 3,656,119                                 | \$ 9,668,577                                     |
| 29   | Deferred Income Tax:           |  |                           |           |  |  |
| 30   | Deferred Income Tax Expense    | 422,664                                | (5,063,988)               | S-19      | 6,708,467                                    | 2,067,143  |
| 31   | ITC Amortization               | (102,252)                              | 0                         | S-20      | (28,488)                                     | (130,740)  |
| 32   | Total Income Taxes             | \$ 320,412                             | \$ 948,470                |           | \$ 10,336,098                                | \$ 11,604,980                                    |
| 33   | <b>Net Operating Income</b>    | <b>\$ 98,045,962</b>                   | <b>\$ (13,632,517)</b>    |           | <b>\$ (50,456,329)</b>                       | <b>\$ 33,957,116</b>                             |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

|                         |   | Total Water          |                     |
|-------------------------|---|----------------------|---------------------|
| Adjmt<br>No             | Description   | Adjustment<br>Amount | Total<br>Adjustment |
| Residential Revenue S-1 |   |                      | \$ 1,916,881        |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 1,423,829         |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 1,471,066            |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (978,014)            |                     |
| Commercial Revenue S-2  |   |                      | \$ 869,513          |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 637,778           |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 372,558              |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (140,823)            |                     |
| Industrial Revenue S-3  |   |                      | \$ 12,123           |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ (100,609)         |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 112,732              |                     |
| Private Fire S-4        |   |                      | \$ (17,223)         |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | (17,223)             |                     |
| Public Fire S-5         |   | 0                    | \$ (15)             |
| 1                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (15)                 |                     |
| Public Authorities S-6  |   |                      | \$ 43,830           |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | 50,429               |                     |
| 2                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (6,599)              |                     |
| Sales For Resale S-7    |   |                      | \$ 545,898          |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 560,375           |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | (6,670)              |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | (7,807)              |                     |
| Other Revenue S-8       |   |                      | \$ 0                |
| 1                       | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                    |                     |
| Source of Supply S-9    |   |                      | \$ 635,208          |
| 1                       | To Annualize Payroll (Hanneken)                                     | \$ 2,973             |                     |
| 2                       | To Normalize Overtime Pay (Hanneken)                                | (9,198)              |                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
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**Adjustments To Income Statement**

| Adjmt<br>No.                                | Description   | Total Water          |                     |
|---|---|----------------------|---------------------|
|   |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (527)                |                     |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 641,961              |                     |
| <b>Pumping S-10</b>                         |   |                      | <b>\$ 376,526</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 152,219           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (46,205)             |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (7,397)              |                     |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | 277,909              |                     |
| <b>Water Treatment S-11</b>                 |   |                      | <b>\$ (86,013)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 68,293            |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (96,950)             |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (3,784)              |                     |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 80,507               |                     |
| 6   | To Annualize Chemicals Expense (Grissum)                          | (134,079)            |                     |
| <b>Transmission &amp; Distribution S-12</b> |   |                      | <b>\$ 150,126</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 379,874           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (234,500)            |                     |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (3,197)              |                     |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 7,949                |                     |
| <b>Customer Accounts S-13</b>               |   |                      | <b>\$ (142,241)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 152,768           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (64,859)             |                     |
| 3   | To Annualize Postage Expense (Grissum)                            | 45,431               |                     |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (275,581)            |                     |
| <b>Administrative &amp; General S-14</b>    |   |                      | <b>\$ 9,913,432</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 85,228            |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (69,216)             |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No.                     | Description   | Total Water          |                     |
|----------------------------------|---|----------------------|---------------------|
|                                  |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                                | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                                | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | (195,134)            |                     |
| 5                                | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                                | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                                | To Annualize Insurance Other Than Group (Hagemeyer)                 | 1,198,191            |                     |
| 8                                | To Annualize Other Post Employment Benefits (Hagemeyer)             | 1,203,741            |                     |
| 9                                | To Annualize Tank Painting Expense (Hagemeyer)                      | (674,523)            |                     |
| 10                               | To Annualize Pension Expense (Hagemeyer)                            | 2,262,273            |                     |
| 11                               | To Annualize Transportation Leases (Hagemeyer)                      | (306,646)            |                     |
| 12                               | To Annualize Waste Disposal Expense (Hagemeyer)                     | (16,408)             |                     |
| 13                               | To Annualize Main Breaks Expense (Hagemeyer)                        | 57,438               |                     |
| 14                               | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                               | To Remove Meals, Awards, etc. (Began)                               | (39,306)             |                     |
| 16                               | To Remove Miscellaneous Expense (Began)                             | (15,703)             |                     |
| 17                               | To Remove Dues and Donations (Began)                                | (168,109)            |                     |
| 18                               | To Remove Disallowed Promotion Expense (Began)                      | (7,928)              |                     |
| 19                               | To Remove Disallowed Advertising Expense (Began)                    | (19,398)             |                     |
| 20                               | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                               | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                               | To Annualize Payroll Tax Expense (Hanneken)                         | 6,768,276            |                     |
| 23                               | To Annualize Incentive Compensation Expense (Hanneken)              | (149,344)            |                     |
| 24                               | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                               | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                               | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                               | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                               | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant S-15</b> |   |                      | <b>\$ 4,671,354</b> |
| 1                                | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 6,968,195         |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No.                            | Description  | Total Water          |                     |
|---|--|----------------------|---------------------|
|   |  | Adjustment<br>Amount | Total<br>Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (2,095,355)          |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (201,486)            |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 94,677            | \$ 536,662          |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (11,426)             |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | 453,411              |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy )                                       | \$ 6,012,458         | \$ 6,012,458        |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ (5,063,988)       | \$ (5,063,988)      |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| 2                                       |  | 0                    |                     |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Tax Calculation**

| Line | Description<br>(A)                             | Test Year<br>(B)    | Total Water            |                        |                        |
|------|--|---------------------|------------------------|------------------------|------------------------|
|      |  |                     | 6.25%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 33,957,115       | \$ 35,260,987          | \$ 36,049,571          | \$ 36,838,156          |
| 2    | Add:   |                     |                        |                        |                        |
| 3    | Current Income Tax                             | 9,668,578           | 10,480,990             | 10,972,338             | 11,463,687             |
| 4    | Deferred Income Taxes                          |                     |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | 2,067,143           | 2,067,143              | 2,067,143              | 2,067,143              |
| 6    | ITC Amortization                               | (130,740)           | (130,740)              | (130,740)              | (130,740)              |
| 7    | Net Income Before Income Tax                   | \$ 45,562,096       | \$ 47,678,380          | \$ 48,958,313          | \$ 50,238,246          |
| 8    | Additions to Net Income Before Income Tax:     |                     |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 20,300,868       | \$ 20,300,868          | \$ 20,300,868          | \$ 20,300,868          |
| 10   | Contributions In Aid of Construction           | 0                   | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                   | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 35,651              | 35,651                 | 35,651                 | 35,651                 |
| 13   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 20,336,519       | \$ 20,336,519          | \$ 20,336,519          | \$ 20,336,519          |
| 16   | Subtractions to Net Income Before Income Tax:  |                     |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 15,264,740       | \$ 15,264,740          | \$ 15,264,740          | \$ 15,264,740          |
| 18   | Tax Straight Line Depreciation                 | 20,300,868          | 20,300,868             | 20,300,868             | 20,300,868             |
| 19   | Tax Depreciation in Excess of Straight Line    | 5,146,959           | 5,146,959              | 5,146,959              | 5,146,959              |
| 20   | Cost of Removal                                | 0                   | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 40,712,568       | \$ 40,712,568          | \$ 40,712,568          | \$ 40,712,568          |
| 24   | Net Taxable Income                             | \$ 25,186,048       | \$ 27,302,331          | \$ 28,582,264          | \$ 29,862,197          |
| 25   | Provision for Federal Income Tax               |                     |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ 25,186,048       | \$ 27,302,331          | \$ 28,582,264          | \$ 29,862,197          |
| 27   | Deduct Missouri Income Tax @ 100.00%           | 1,313,017           | 1,423,344              | 1,490,071              | 1,556,797              |
| 28   | Federal Taxable Income                         | \$ 23,873,031       | \$ 25,878,987          | \$ 27,092,193          | \$ 28,305,400          |
| 29   | Federal Income Tax @ 35.00%                    | \$ 8,355,561        | \$ 9,057,645           | \$ 9,482,268           | \$ 9,906,890           |
| 30   | Provision for Missouri Income Tax              |                     |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ 25,186,048       | \$ 27,302,331          | \$ 28,582,264          | \$ 29,862,197          |
| 32   | Deduct Federal Income Tax @ 50.00%             | 4,177,780           | 4,528,823              | 4,741,134              | 4,953,445              |
| 33   | Missouri Taxable Income                        | \$ 21,008,268       | \$ 22,773,508          | \$ 23,841,130          | \$ 24,908,752          |
| 34   | Missouri Income Tax @ 6.25%                    | \$ 1,313,017        | \$ 1,423,344           | \$ 1,490,071           | \$ 1,556,797           |
| 35   | Summary of Provision For Income Tax            |                     |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ 8,355,561        | \$ 9,057,645           | \$ 9,482,268           | \$ 9,906,890           |
| 37   | State Income Tax                               | 1,313,017           | 1,423,344              | 1,490,071              | 1,556,797              |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ 9,668,578</b> | <b>\$ 10,480,990</b>   | <b>\$ 10,972,338</b>   | <b>\$ 11,463,687</b>   |

**TOTAL SEWER**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Revenue Requirement

| Line | (A)  | Total Sewer                   |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 682,222                    | \$ 682,222                    | \$ 682,222                    |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 42,707                     | \$ 43,662                     | \$ 44,617                     |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | (116,926)                     | (116,926)                     | (116,926)                     |
| 5    | Additional Net Operating Income Requirement                    | \$ 159,634                    | \$ 160,589                    | \$ 161,544                    |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 36,721                     | \$ 37,316                     | \$ 37,911                     |
| 8    | Test Year Current Income Tax                                   | (62,743)                      | (62,743)                      | (62,743)                      |
| 9    | Additional Current Income Tax Requirement                      | \$ 99,464                     | \$ 100,059                    | \$ 100,654                    |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 259,098                    | \$ 260,648                    | \$ 262,198                    |
| 11   | Allowance for True-up  | \$ 126,772                    | \$ 126,772                    | \$ 126,772                    |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 385,870</b>             | <b>\$ 387,420</b>             | <b>\$ 388,970</b>             |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 318,539                    | \$ 318,539                    | \$ 318,539                    |
| 14   | Total Gross Revenue Requirement                                | \$ 704,409                    | \$ 705,959                    | \$ 707,509                    |

Missouri-American Water Company  
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Rate Base

| Line | Description<br>(A)  | Total Sewer            |                                  |                   |
|------|---|------------------------|----------------------------------|-------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)      |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 1,862,698           | \$ 47,288                        | \$ 1,909,986      |
| 2    | Less:   |                        |                                  | 0                 |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 478,627                | 14,774                           | 493,401           |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                 |
| 5    | Net Plant in Service  | \$ 1,384,071           | \$ 32,514                        | \$ 1,416,585      |
| 6    | Add:  |                        |                                  |                   |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ 24,127              | \$                               | \$ 24,127         |
| 8    | Materials and Supplies  | 0                      | 1                                | 1                 |
| 9    | Prepayments   | 0                      | 3,242                            | 3,242             |
| 10   | Deferred OPEB Asset   | 0                      | 594                              | 594               |
| 11   | Other   | 0                      | 0                                | 0                 |
| 12   | Other   | 0                      | 0                                | 0                 |
| 13   | Other   | 0                      | 0                                | 0                 |
| 14   | Total Additions to Net Plant in Service                       | \$ 24,127              | \$ 3,837                         | \$ 27,964         |
| 15   | Deduct:   |                        |                                  |                   |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 3,495               | \$                               | \$ 3,495          |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (251)                  |                                  | (251)             |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 261                    |                                  | 261               |
| 19   | Contributions In Aid of Construction:                         | 612,396                | 0                                | 612,396           |
| 20   | Customer Advances   | (390)                  | 0                                | (390)             |
| 21   | Customer Deposits   | 0                      | 0                                | 0                 |
| 22   | Pre-71 ITC  | 0                      | 0                                | 0                 |
| 23   | Deferred Income Taxes   | 0                      | 99,645                           | 99,645            |
| 24   | Accrued Pension Liability                                     | 0                      | 47,172                           | 47,172            |
| 25   | Other   | 0                      | 0                                | 0                 |
| 26   | Other   | 0                      | 0                                | 0                 |
| 27   | Other   | 0                      | 0                                | 0                 |
| 28   | Total Deductions to Net Plant in Service                      | \$ 615,511             | \$ 146,817                       | \$ 762,328        |
| 29   | <b>Total Rate Base</b>  | <b>\$ 792,687</b>      | <b>\$ (110,465)</b>              | <b>\$ 682,222</b> |

Missouri-American Water Company  
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**Plant In Service**

**Total Sewer**

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|---------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |         |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 1    |         | Intangible                       |                              |               |            |                                  |                                   |
| 2    | 301     | Organization                     | \$ 0                         | \$ 0          | P-1        | \$ 858                           | \$ 858                            |
| 3    | 302     | Franchise & Consents             | 150                          | 0             | P-2        | 0                                | 150                               |
| 4    | 303     | Miscellaneous Intangible         | 0                            | 0             | P-3        | 1,343                            | 1,343                             |
| 5    |         | Total Intangible                 | \$ 150                       | \$ 0          |            | \$ 2,201                         | \$ 2,351                          |
| 6    |         | Source of Supply                 |                              |               |            |                                  |                                   |
| 7    | 310     | Land & Land Rights               | \$ 0                         | \$ 0          | P-4        | \$ 0                             | \$ 0                              |
| 8    | 311     | Structures & Improvements        | 0                            | 0             | P-5        | 0                                | 0                                 |
| 9    | 312     | Collecting & Impounding Res      | 0                            | 0             | P-6        | 0                                | 0                                 |
| 10   | 313     | Lake, River & Other Intakes      | 0                            | 0             | P-7        | 0                                | 0                                 |
| 11   | 314     | Wells & Springs                  | 0                            | 0             | P-8        | 0                                | 0                                 |
| 12   | 315     | Infiltration Galleries & Tunnels | 0                            | 0             | P-9        | 0                                | 0                                 |
| 13   | 316     | Supply Mains                     | 0                            | 0             | P-9        | 0                                | 0                                 |
| 14   | 316     | Supply Mains-North Plant         | 0                            | 0             | P-10       | 0                                | 0                                 |
| 15   | 316     | Supply Mains-Central Plant       | 0                            | 0             | P-11       | 0                                | 0                                 |
| 16   | 316     | Supply Mains-South Plant         | 0                            | 0             | P-12       | 0                                | 0                                 |
| 17   | 316     | Supply Mains-Meramec Plant       | 0                            | 0             | P-13       | 0                                | 0                                 |
| 18   | 317     | Other Source of Supply Plant     | 0                            | 0             | P-14       | 0                                | 0                                 |
| 19   |         | Total Source of Supply           | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 20   |         | Pumping                          |                              |               |            |                                  |                                   |
| 21   | 320     | Land & Land Rights               | \$ 0                         | \$ 0          | P-15       | \$ 0                             | \$ 0                              |
| 22   | 321     | S & I-Plant                      | 13,694                       | 0             | P-16       | 0                                | 13,694                            |
| 23   | 321.1   | S & I-Pumps (STL)                | 0                            | 0             | P-17       | 0                                | 0                                 |
| 24   | 321.2   | S & I-Boosters                   | 0                            | 0             | P-18       | 0                                | 0                                 |
| 25   | 322     | Boiler Equipment                 | 0                            | 0             | P-19       | 0                                | 0                                 |
| 26   | 323     | Other Power Prod. Equip.         | 0                            | 0             | P-20       | 0                                | 0                                 |
| 27   | 324     | Steam Pumping Equipment          | 0                            | 0             | P-21       | 0                                | 0                                 |
| 28   | 325.1   | Electric Pumping Equipment       | 3,528                        | 0             | P-22       | 0                                | 3,528                             |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 0                            | 0             | P-23       | 0                                | 0                                 |
| 30   | 325.3   | Pumping Equipment-Post '46       | 0                            | 0             | P-24       | 0                                | 0                                 |
| 31   | 325     | Pumping Equipment-Booster        | 0                            | 0             | P-25       | 0                                | 0                                 |
| 32   | 326     | Diesel Pumping Equipment         | 0                            | 0             | P-26       | 0                                | 0                                 |
| 33   | 326     | Dsl Pump Equip-Stratman          | 0                            | 0             | P-27       | 0                                | 0                                 |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 0                            | 0             | P-28       | 0                                | 0                                 |
| 35   | 327     | Pump Equip Hydraulic             | 0                            | 0             | P-29       | 0                                | 0                                 |
| 36   | 328     | Other Pumping Equipment          | 0                            | 0             | P-30       | 0                                | 0                                 |
| 37   |         | Total Pumping                    | \$ 17,222                    | \$ 0          |            | \$ 0                             | \$ 17,222                         |
| 38   |         | Water Treatment Plant            |                              |               |            |                                  |                                   |
| 39   | 330     | Land & Land Rights               | \$ 0                         | \$ 0          | P-31       | \$ 0                             | \$ 0                              |
| 40   | 331     | Structures & Improvements        | 0                            | 0             | P-32       | 0                                | 0                                 |
| 41   | 331     | S & I - North Plant              | 0                            | 0             | P-33       | 0                                | 0                                 |
| 42   | 331     | S & I-Central 1 & 2              | 0                            | 0             | P-34       | 0                                | 0                                 |
| 43   | 331     | S & I-Central 3                  | 0                            | 0             | P-35       | 0                                | 0                                 |
| 44   | 331     | S & I-South Plant                | 0                            | 0             | P-36       | 0                                | 0                                 |
| 45   | 331     | S & I-Meramac                    | 0                            | 0             | P-37       | 0                                | 0                                 |
| 46   | 332     | WT Equip Non-Media               | 0                            | 0             | P-38       | 0                                | 0                                 |
| 47   | 332     | WT Equip-North Plant             | 0                            | 0             | P-39       | 0                                | 0                                 |

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Plant In Service

| Total Sewer |            |                                     |                       |             |      |                           |                            |
|-------------|------------|-------------------------------------|-----------------------|-------------|------|---------------------------|----------------------------|
| Line        | A/C<br>No. | Plant Title                         | Balance<br>12/31/2006 | Adjustments |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|             |            |                                     |                       | Amount      | No.  |                           |                            |
|             | (A)        | (B)                                 | (C)                   | (D)         | (E)  | (F)                       | (G)                        |
| 48          | 332        | WT Equip-Central 1 & 2              | 0                     | 0           | P-40 | 0                         | 0                          |
| 49          | 332        | WT Equip-Central 3                  | 0                     | 0           | P-41 | 0                         | 0                          |
| 50          | 332        | WT Equip-South Plant                | 0                     | 0           | P-42 | 0                         | 0                          |
| 51          | 332        | WT Equip-Meramac                    | 0                     | 0           | P-43 | 0                         | 0                          |
| 52          | 332        | Other P/E Hand Equipment            | 0                     | 0           | P-44 | 0                         | 0                          |
| 53          | 332.4      | Equipment Filter Media              | 0                     | 0           | P-45 | 0                         | 0                          |
| 54          |            | Total Water Treatment Plant         | \$ 0                  | \$ 0        |      | \$ 0                      | \$ 0                       |
| 55          |            | Transmission & Distribution         |                       |             |      |                           |                            |
| 56          | 340        | Land & Land Rights                  | \$ 0                  | \$ 0        | P-46 | \$ 0                      | \$ 0                       |
| 57          | 341        | Structures & Improvements           | 0                     | 0           | P-47 | 0                         | 0                          |
| 58          | 341.63     | S & I-Spec Cross                    | 0                     | 0           | P-48 | 0                         | 0                          |
| 59          | 342        | Distr. Res. & Standpipes            | 0                     | 0           | P-49 | 0                         | 0                          |
| 60          | 342        | Rsvr & Standpipe-Elev               | 0                     | 0           | P-50 | 0                         | 0                          |
| 61          | 342        | Rsvr & Standpipe-Ground             | 0                     | 0           | P-51 | 0                         | 0                          |
| 62          | 343        | T & D Mains (Not Classified)        | 0                     | 0           | P-52 | 0                         | 0                          |
| 63          | 343.1      | T & D Mains - 4" & Less             | 0                     | 0           | P-53 | 0                         | 0                          |
| 64          | 343.1      | T & D Mains AC 4 (STL)              | 0                     | 0           | P-54 | 0                         | 0                          |
| 65          | 343.1      | T & D Mains Galv 1 (STL)            | 0                     | 0           | P-55 | 0                         | 0                          |
| 66          | 343.2      | T & D Mains - 6" to 8"              | 0                     | 0           | P-56 | 0                         | 0                          |
| 67          | 343.2      | CI-10" & Smaller-1900-1928          | 0                     | 0           | P-57 | 0                         | 0                          |
| 68          | 343.2      | CI-10" & Smaller 1929-1956          | 0                     | 0           | P-58 | 0                         | 0                          |
| 69          | 343.2      | CI-10" & Smaller-1957-1993          | 0                     | 0           | P-59 | 0                         | 0                          |
| 70          | 343.2      | T & D Mains - DI 6-8 (STL)          | 0                     | 0           | P-60 | 0                         | 0                          |
| 71          | 343.2      | T & D Mains - DI 6-10" (TN)         | 0                     | 0           | P-61 | 0                         | 0                          |
| 72          | 343.2      | T & D Mains - PL 6-8" (STL)         | 0                     | 0           | P-62 | 0                         | 0                          |
| 73          | 343.3      | T & D Mains - 10" to 16"            | 0                     | 0           | P-63 | 0                         | 0                          |
| 74          | 343.3      | T & D Mains - 18" & Greater         | 0                     | 0           | P-64 | 0                         | 0                          |
| 75          | 343.3      | CI-12" (STL)                        | 0                     | 0           | P-65 | 0                         | 0                          |
| 76          | 343.3      | CI-16" (STL)                        | 0                     | 0           | P-66 | 0                         | 0                          |
| 77          | 343.3      | T & D Mains - DI 12 (STL)           | 0                     | 0           | P-66 | 0                         | 0                          |
| 78          | 343.3      | T & D Mains - DI 16 & Greater (STL) | 0                     | 0           | P-67 | 0                         | 0                          |
| 79          | 343.3      | T & D Mains - LJ 20 (STL)           | 0                     | 0           | P-68 | 0                         | 0                          |
| 80          | 343.3      | T & D Mains - PL 12 (STL)           | 0                     | 0           | P-69 | 0                         | 0                          |
| 81          | 344        | Fire Mains                          | 0                     | 0           | P-70 | 0                         | 0                          |
| 82          | 345        | Services                            | 0                     | 0           | P-71 | 0                         | 0                          |
| 83          | 346.1      | Meters-Bronze Case                  | 0                     | 0           | P-72 | 0                         | 0                          |
| 84          | 346.2      | Meters-Plastic Case                 | 0                     | 0           | P-73 | 0                         | 0                          |
| 85          | 346.3      | Meters-Other                        | 0                     | 0           | P-74 | 0                         | 0                          |
| 86          | 346.3      | Meters-Remote (ARB's)               | 0                     | 0           | P-75 | 0                         | 0                          |
| 87          | 347.1      | Meter Install                       | 0                     | 0           | P-76 | 0                         | 0                          |
| 88          | 347.2      | Meter Install-Other                 | 0                     | 0           | P-77 | 0                         | 0                          |
| 89          | 348        | Hydrants                            | 0                     | 0           | P-78 | 0                         | 0                          |
| 90          | 349        | Other T&D Plant                     | 0                     | 0           | P-79 | 0                         | 0                          |
| 91          |            | Total Transmission & Distribution   | \$ 0                  | \$ 0        |      | \$ 0                      | \$ 0                       |

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**Plant In Service**

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006 | Total Sewer |       | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|---------|----------------------------------|-----------------------|-------------|-------|---------------------------|----------------------------|
|      |         |                                  |                       | Amount      | No.   |                           |                            |
|      | (A)     | (B)                              | (C)                   | (D)         | (E)   | (F)                       | (G)                        |
| 92   |         | Sewer Plant                      | 0                     |             |       | 0                         |                            |
| 93   | 351     | Structures & Improvements        | \$ 44,004             | \$ 0        | P-80  | \$ 0                      | \$ 44,004                  |
| 94   | 352.1   | Collection Sewers Forced         | 13,401                | 0           | P-81  | 0                         | 13,401                     |
| 95   | 352.2   | Collecting Mains                 | 446,412               | 0           | P-82  | 0                         | 446,412                    |
| 96   | 352.2   | Collecting Mains Other           | 70,768                | 0           | P-83  | 0                         | 70,768                     |
| 97   | 353     | Service to Customers             | 49,429                | 0           | P-84  | 0                         | 49,429                     |
| 98   | 363     | Electric Pumping Equipment       | 12,173                | 0           | P-85  | 0                         | 12,173                     |
| 99   | 370.1   | Land & Land Rights               | 9,300                 | 0           | P-86  | 0                         | 9,300                      |
| 100  | 372     | T&D Equipment                    | 865,495               | 0           | P-87  | 0                         | 865,495                    |
| 101  | 372     | T&D Equipment Influent Lift      | 151,845               | 0           | P-88  | 0                         | 151,845                    |
| 102  | 374     | Outfall Sewer Lines              | 33,433                | 0           | P-89  | 0                         | 33,433                     |
| 103  |         | Total Sewer Plant                | \$ 1,696,260          | \$ 0        |       | \$ 0                      | \$ 1,696,260               |
| 104  |         | General Plant                    |                       |             |       |                           |                            |
| 105  | 389     | Land & Land Rights               | \$ 0                  | \$ 0        | P-90  | \$ 0                      | \$ 0                       |
| 106  | 390     | S&I-Store, Shop & Garage         | 0                     | 0           | P-91  | 0                         | 0                          |
| 107  | 390.1   | S & I-Offices                    | 0                     | 0           | P-92  | 0                         | 0                          |
| 108  | 390.1   | S & I-Leasehold                  | 0                     | 0           | P-93  | 0                         | 0                          |
| 109  | 390.1   | S & I-Leasehold - SCADA          | 0                     | 0           | P-94  | 0                         | 0                          |
| 110  | 390.3   | S&I-Misc                         | 0                     | 0           | P-95  | 0                         | 0                          |
| 111  | 391     | Office Furniture and Equipment   | 7,216                 | 0           | P-96  | 3,566                     | 10,782                     |
| 112  | 391.2   | Computers & Peripheral Equipment | 0                     | 0           | P-97  | 10,932                    | 10,932                     |
| 113  | 391.25  | Computer Software                | 0                     | 0           | P-98  | 28,758                    | 28,758                     |
| 114  | 391.26  | Computer Software Personal       | 0                     | 0           | P-99  | 558                       | 558                        |
| 115  | 391.3   | Data Handling Equipment          | 0                     | 0           | P-100 | 0                         | 0                          |
| 116  | 391.3   | Other Office Equipment           | 0                     | 0           | P-101 | 67                        | 67                         |
| 117  | 392.11  | Trans Equipment-Lt Duty Trucks   | 0                     | 0           | P-102 | 192                       | 192                        |
| 118  | 392.12  | Trans Equipment-Hvy Duty Trucks  | 0                     | 0           | P-103 | 0                         | 0                          |
| 119  | 392.2   | Trans Equipment-Autos            | 0                     | 0           | P-104 | 708                       | 708                        |
| 120  | 392.3   | Trans Equipment Other            | 16,245                | 0           | P-105 | 0                         | 16,245                     |
| 121  | 393     | Stores Equipment                 | 0                     | 0           | P-106 | 0                         | 0                          |
| 122  | 394     | Tools, Shop & Garage Equipment   | 3,890                 | 0           | P-107 | 78                        | 3,968                      |
| 123  | 394     | Tools, Shop & Garage Equip Other | 0                     | 0           | P-108 | 0                         | 0                          |
| 124  | 395     | Laboratory Equipment             | 0                     | 0           | P-109 | 0                         | 0                          |
| 125  | 395     | Laboratory Equipment Other       | 0                     | 0           | P-110 | 0                         | 0                          |
| 126  | 396     | Power Operated Equipment         | 0                     | 0           | P-111 | 0                         | 0                          |
| 127  | 397     | Comm Equipment-Non-Tele          | 0                     | 0           | P-112 | 11                        | 11                         |
| 128  | 397.2   | Comm Equipment-Tele              | 0                     | 0           | P-113 | 166                       | 166                        |
| 129  | 398     | Miscellaneous                    | 121,715               | 0           | P-114 | 51                        | 121,766                    |
| 130  | 399     | Other Tangible Property          | 0                     | 0           | P-115 | 0                         | 0                          |
| 131  |         | Total General Plant              | \$ 149,066            | \$ 0        |       | \$ 45,087                 | \$ 194,153                 |
| 132  |         | <b>Total Plant In Service</b>    | <b>\$ 1,862,698</b>   | <b>\$ 0</b> |       | <b>\$ 47,288</b>          | <b>\$ 1,909,986</b>        |

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**Adjustments To Plant In Service**

Total Sewer

**NO ADJUSTMENTS**



Missouri-American Water Company  
Case No. WR-2007-0216  
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Depreciation Reserve

Total Sewer

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)-(F)<br>(G) |
|------|------------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |            |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 1    |            | Intangible                       |                              |               |            |                                  |                                   |
| 2    | 301        | Organization                     | \$ 0                         | \$ 0          | R-1        | \$ 0                             | \$ 0                              |
| 3    | 302        | Franchise & Consents             | 0                            | 0             | R-2        | 0                                | 0                                 |
| 4    | 303        | Miscellaneous Intangible         | 0                            | 0             | R-3        | 1,611                            | 1,611                             |
| 5    |            | Total Intangible                 | \$ 0                         | \$ 0          |            | \$ 1,611                         | \$ 1,611                          |
| 6    |            | Source of Supply                 |                              |               |            |                                  |                                   |
| 7    | 310        | Land & Land Rights               | \$ 0                         | \$ 0          | R-4        | \$ 0                             | \$ 0                              |
| 8    | 311        | Structures & Improvements        | 0                            | 0             | R-5        | 0                                | 0                                 |
| 9    | 312        | Collecting & Impounding Res      | 0                            | 0             | R-6        | 0                                | 0                                 |
| 10   | 313        | Lake, River & Other Intakes      | 0                            | 0             | R-7        | 0                                | 0                                 |
| 11   | 314        | Wells & Springs                  | 0                            | 0             | R-8        | 0                                | 0                                 |
| 12   | 315        | Infiltration Galleries & Tunnels | 0                            | 0             | R-9        | 0                                | 0                                 |
| 13   | 316        | Supply Mains                     | 0                            | 0             | R-9        | 0                                | 0                                 |
| 14   | 316        | Supply Mains-North Plant         | 0                            | 0             | R-10       | 0                                | 0                                 |
| 15   | 316        | Supply Mains-Central Plant       | 0                            | 0             | R-11       | 0                                | 0                                 |
| 16   | 316        | Supply Mains-South Plant         | 0                            | 0             | R-12       | 0                                | 0                                 |
| 17   | 316        | Supply Mains-Meramec Plant       | 0                            | 0             | R-13       | 0                                | 0                                 |
| 18   | 317        | Other Source of Supply Plant     | 0                            | 0             | R-14       | 0                                | 0                                 |
| 19   |            | Total Source of Supply           | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 20   |            | Pumping                          |                              |               |            |                                  |                                   |
| 21   | 320        | Land & Land Rights               | \$ 0                         | \$ 0          | R-15       | \$ 0                             | \$ 0                              |
| 22   | 321        | S & I-Plant                      | 58                           | 0             | R-16       | 0                                | 58                                |
| 23   | 321.1      | S & I-Pumps (STL)                | 0                            | 0             | R-17       | 0                                | 0                                 |
| 24   | 321.2      | S & I-Boosters                   | 0                            | 0             | R-18       | 0                                | 0                                 |
| 25   | 322        | Boiler Equipment                 | 0                            | 0             | R-19       | 0                                | 0                                 |
| 26   | 323        | Other Power Prod. Equip.         | 0                            | 0             | R-20       | 0                                | 0                                 |
| 27   | 324        | Steam Pumping Equipment          | 0                            | 0             | R-21       | 0                                | 0                                 |
| 28   | 325.1      | Electric Pumping Equipment       | 15                           | 0             | R-22       | 0                                | 15                                |
| 29   | 325.2      | Pumping Equipment-Pre '46        | 0                            | 0             | R-23       | 0                                | 0                                 |
| 30   | 325.3      | Pumping Equipment-Post '46       | 0                            | 0             | R-24       | 0                                | 0                                 |
| 31   | 325        | Pumping Equipment-Booster        | 0                            | 0             | R-25       | 0                                | 0                                 |
| 32   | 326        | Diesel Pumping Equipment         | 0                            | 0             | R-26       | 0                                | 0                                 |
| 33   | 326        | Dsl Pump Equip-Stratman          | 0                            | 0             | R-27       | 0                                | 0                                 |
| 34   | 326        | Dsl Pump Equip-Central Plant     | 0                            | 0             | R-28       | 0                                | 0                                 |
| 35   | 327        | Pump Equip Hydraulic             | 0                            | 0             | R-29       | 0                                | 0                                 |
| 36   | 328        | Other Pumping Equipment          | 0                            | 0             | R-30       | 0                                | 0                                 |
| 37   |            | Total Pumping                    | \$ 73                        | \$ 0          |            | \$ 0                             | \$ 73                             |
| 38   |            | Water Treatment Plant            |                              |               |            |                                  |                                   |
| 39   | 330        | Land & Land Rights               | \$ 0                         | \$ 0          | R-31       | \$ 0                             | \$ 0                              |
| 40   | 331        | Structures & Improvements        | 0                            | 0             | R-32       | 0                                | 0                                 |
| 41   | 331        | S & I - North Plant              | 0                            | 0             | R-33       | 0                                | 0                                 |
| 42   | 331        | S & I-Central 1 & 2              | 0                            | 0             | R-34       | 0                                | 0                                 |
| 43   | 331        | S & I-Central 3                  | 0                            | 0             | R-35       | 0                                | 0                                 |
| 44   | 331        | S & I-South Plant                | 0                            | 0             | R-36       | 0                                | 0                                 |
| 45   | 331        | S & I-Meramac                    | 0                            | 0             | R-37       | 0                                | 0                                 |
| 46   | 332        | WT Equip Non-Media               | 0                            | 0             | R-38       | 0                                | 0                                 |
| 47   | 332        | WT Equip-North Plant             | 0                            | 0             | R-39       | 0                                | 0                                 |

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Depreciation Reserve

Total Sewer

| Line | A/C No | Plant Title                         | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|--------|-------------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |        |                                     |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 48   | 332    | WT Equip-Central 1 & 2              | 0                            | 0             | R-40       | 0                                | 0                                 |
| 49   | 332    | WT Equip-Central 3                  | 0                            | 0             | R-41       | 0                                | 0                                 |
| 50   | 332    | WT Equip-South Plant                | 0                            | 0             | R-42       | 0                                | 0                                 |
| 51   | 332    | WT Equip-Meramac                    | 0                            | 0             | R-43       | 0                                | 0                                 |
| 52   | 332    | Other P/E Hand Equipment            | 0                            | 0             | R-44       | 0                                | 0                                 |
| 53   | 332.4  | Equipment Filter Media              | 0                            | 0             | R-45       | 0                                | 0                                 |
| 54   |        | Total Water Treatment Plant         | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 55   |        | Transmission & Distribution         |                              |               |            |                                  |                                   |
| 56   | 340    | Land & Land Rights                  | \$ 0                         | \$ 0          | R-46       | \$ 0                             | \$ 0                              |
| 57   | 341    | Structures & Improvements           | 0                            | 0             | R-47       | 0                                | 0                                 |
| 58   | 341.63 | S & I-Spec Cross                    | 0                            | 0             | R-48       | 0                                | 0                                 |
| 59   | 342    | Distr. Res. & Standpipes            | 0                            | 0             | R-49       | 0                                | 0                                 |
| 60   | 342    | Rsvr & Standpipe-Elev               | 0                            | 0             | R-50       | 0                                | 0                                 |
| 61   | 342    | Rsvr & Standpipe-Ground             | 0                            | 0             | R-51       | 0                                | 0                                 |
| 62   | 343    | T & D Mains (Not Classified)        | 0                            | 0             | R-52       | 0                                | 0                                 |
| 63   | 343.1  | T & D Mains - 4" & Less             | 0                            | 0             | R-53       | 0                                | 0                                 |
| 64   | 343.1  | T & D Mains AC 4 (STL)              | 0                            | 0             | R-54       | 0                                | 0                                 |
| 65   | 343.1  | T & D Mains Galv 1 (STL)            | 0                            | 0             | R-55       | 0                                | 0                                 |
| 66   | 343.2  | T & D Mains - 6" to 8"              | 0                            | 0             | R-56       | 0                                | 0                                 |
| 67   | 343.2  | CI-10" & Smaller-1900-1928          | 0                            | 0             | R-57       | 0                                | 0                                 |
| 68   | 343.2  | CI-10" & Smaller 1929-1956          | 0                            | 0             | R-58       | 0                                | 0                                 |
| 69   | 343.2  | CI-10" & Smaller-1957-1993          | 0                            | 0             | R-59       | 0                                | 0                                 |
| 70   | 343.2  | T & D Mains - DI 6-8 (STL)          | 0                            | 0             | R-60       | 0                                | 0                                 |
| 71   | 343.2  | T & D Mains - DI 6-10" (TN)         | 0                            | 0             | R-61       | 0                                | 0                                 |
| 72   | 343.2  | T & D Mains - PL 6-8" (STL)         | 0                            | 0             | R-62       | 0                                | 0                                 |
| 73   | 343.3  | T & D Mains - 10" to 16"            | 0                            | 0             | R-63       | 0                                | 0                                 |
| 74   | 343.3  | T & D Mains - 18" & Greater         | 0                            | 0             | R-64       | 0                                | 0                                 |
| 75   | 343.3  | CI-12" (STL)                        | 0                            | 0             | R-65       | 0                                | 0                                 |
| 76   | 343.3  | CI-16" (STL)                        | 0                            | 0             | R-66       | 0                                | 0                                 |
| 77   | 343.3  | T & D Mains - DI 12 (STL)           | 0                            | 0             | R-66       | 0                                | 0                                 |
| 78   | 343.3  | T & D Mains - DI 16 & Greater (STL) | 0                            | 0             | R-67       | 0                                | 0                                 |
| 79   | 343.3  | T & D Mains - LJ 20 (STL)           | 0                            | 0             | R-68       | 0                                | 0                                 |
| 80   | 343.3  | T & D Mains - PL 12 (STL)           | 0                            | 0             | R-69       | 0                                | 0                                 |
| 81   | 344    | Fire Mains                          | 0                            | 0             | R-70       | 0                                | 0                                 |
| 82   | 345    | Services                            | 0                            | 0             | R-71       | 0                                | 0                                 |
| 83   | 346.1  | Meters-Bronze Case                  | 0                            | 0             | R-72       | 0                                | 0                                 |
| 84   | 346.2  | Meters-Plastic Case                 | 0                            | 0             | R-73       | 0                                | 0                                 |
| 85   | 346.3  | Meters-Other                        | 0                            | 0             | R-74       | 0                                | 0                                 |
| 86   | 346.3  | Meters-Remote (ARB's)               | 0                            | 0             | R-75       | 0                                | 0                                 |
| 87   | 347.1  | Meter Install                       | 0                            | 0             | R-76       | 0                                | 0                                 |
| 88   | 347.2  | Meter Install-Other                 | 0                            | 0             | R-77       | 0                                | 0                                 |
| 89   | 348    | Hydrants                            | 0                            | 0             | R-78       | 0                                | 0                                 |
| 90   | 349    | Other T&D Plant                     | 0                            | 0             | R-79       | 0                                | 0                                 |
| 91   |        | Total Transmission & Distribution   | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |

Missouri-American Water Company  
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**Depreciation Reserve**

| Total Sewer |            |                                  |                       |             |       |                           |                            |
|-------------|------------|----------------------------------|-----------------------|-------------|-------|---------------------------|----------------------------|
| Line        | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |       | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|             |            |                                  |                       | Amount      | No.   |                           |                            |
|             | (A)        | (B)                              | (C)                   | (D)         | (E)   | (F)                       | (G)                        |
| 92          |            | Sewer Plant                      | 0                     |             |       | 0                         |                            |
| 93          | 351.0      | Structures & Improvements        | \$ 8,235              | \$ 0        | R-80  | \$ 0                      | \$ 8,235                   |
| 94          | 352.1      | Collection Sewers Forced         | 7,712                 | 0           | R-81  | 0                         | 7,712                      |
| 95          | 352.2      | Collecting Mains                 | 130,367               | 0           | R-82  | 0                         | 130,367                    |
| 96          | 352.2      | Collecting Mains Other           | 30,528                | 0           | R-83  | 0                         | 30,528                     |
| 97          | 353.0      | Service to Customers             | 32,912                | 0           | R-84  | 0                         | 32,912                     |
| 98          | 363.0      | Electric Pumping Equipment       | 6,434                 | 0           | R-85  | 0                         | 6,434                      |
| 99          | 370.1      | Land & Land Rights               | 2,543                 | 0           | R-86  | 0                         | 2,543                      |
| 100         | 372        | T&D Equipment                    | 192,410               | 0           | R-87  | 0                         | 192,410                    |
| 101         | 372.0      | T&D Equipment Influent Lift      | 19,730                | 0           | R-88  | 0                         | 19,730                     |
| 102         | 374        | Outfall Sewer Lines              | 5,836                 | 0           | R-89  | 0                         | 5,836                      |
| 103         |            | Total Sewer Plant                | \$ 436,707            | \$ 0        |       | \$ 0                      | \$ 436,707                 |
| 104         |            | General Plant                    |                       |             |       |                           |                            |
| 105         | 389        | Land & Land Rights               | \$ 0                  | \$ 0        | R-90  | \$ 0                      | \$ 0                       |
| 106         | 390        | S&I-Store, Shop & Garage         | 0                     | 0           | R-91  | 0                         | 0                          |
| 107         | 390.1      | S & I-Offices                    | 0                     | 0           | R-92  | (760)                     | (760)                      |
| 108         | 390.1      | S & I-Leasehold                  | 0                     | 0           | R-93  | 0                         | 0                          |
| 109         | 390.1      | S & I-Leasehold - SCADA          | 0                     | 0           | R-94  | 0                         | 0                          |
| 110         | 390.3      | S&I-Misc                         | 0                     | 0           | R-95  | 0                         | 0                          |
| 111         | 391        | Office Furniture and Equipment   | 10,294                | 0           | R-96  | (104)                     | 10,190                     |
| 112         | 391.2      | Computers & Peripheral Equipment | 0                     | 0           | R-97  | 567                       | 567                        |
| 113         | 391.25     | Computer Software                | 0                     | 0           | R-98  | 12,268                    | 12,268                     |
| 114         | 391.26     | Computer Software Personal       | 0                     | 0           | R-99  | 119                       | 119                        |
| 115         | 391.3      | Data Handling Equipment          | 0                     | 0           | R-100 | 0                         | 0                          |
| 116         | 391.3      | Other Office Equipment           | 0                     | 0           | R-101 | 42                        | 42                         |
| 117         | 392.11     | Trans Equipment-Lt Duty Trucks   | 0                     | 0           | R-102 | 294                       | 294                        |
| 118         | 392.12     | Trans Equipment-Hvy Duty Trucks  | 0                     | 0           | R-103 | 0                         | 0                          |
| 119         | 392.2      | Trans Equipment-Autos            | 0                     | 0           | R-104 | 577                       | 577                        |
| 120         | 392.3      | Trans Equipment Other            | 19,086                | 0           | R-105 | 0                         | 19,086                     |
| 121         | 393        | Stores Equipment                 | 0                     | 0           | R-106 | 0                         | 0                          |
| 122         | 394        | Tools, Shop & Garage Equipment   | 105                   | 0           | R-107 | 25                        | 130                        |
| 123         | 394        | Tools, Shop & Garage Equip Other | 0                     | 0           | R-108 | 0                         | 0                          |
| 124         | 395        | Laboratory Equipment             | 0                     | 0           | R-109 | 0                         | 0                          |
| 125         | 395        | Laboratory Equipment Other       | 0                     | 0           | R-110 | 0                         | 0                          |
| 126         | 396        | Power Operated Equipment         | 0                     | 0           | R-111 | 0                         | 0                          |
| 127         | 397        | Comm Equipment-Non-Tele          | 0                     | 0           | R-112 | 54                        | 54                         |
| 128         | 397.2      | Comm Equipment-Tele              | 0                     | 0           | R-113 | 67                        | 67                         |
| 129         | 398        | Miscellaneous                    | 12,362                | 0           | R-114 | 15                        | 12,377                     |
| 130         | 399        | Other Tangible Property          | 0                     | 0           | R-115 | 0                         | 0                          |
| 131         |            | Total General Plant              | \$ 41,847             | \$ 0        |       | \$ 13,163                 | \$ 55,010                  |
| 132         |            | Not Classified                   | 0                     | 0           | R-116 | 0                         | 0                          |
| 133         |            | Total Depreciation Reserve       | \$ 478,627            | \$ 0        |       | \$ 14,774                 | \$ 493,401                 |

Missouri-American Water Company  
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**Adjustments To Reserve**

Total Sewer

**NO ADJUSTMENTS**

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

| Line | A/C No | Plant Title                      | Total Adjusted<br>Sewer Plant | Composite<br>Depreciation<br>Rate | Total Sewer                          |   |                                      |
|------|--------|----------------------------------|-------------------------------|-----------------------------------|--------------------------------------|---|--------------------------------------|
|      |        |                                  |                               |                                   | District<br>Specific<br>Depreciation | Corporate<br>Depreciation<br>Distribution | Total Sewer<br>Plant<br>Depreciation |
|      | (A)    | (B)                              | (C)                           | (D)                               | (E)                                  | (F)                                       | (G)                                  |
| 1    |        | Intangible                       |                               |                                   |                                      |   |                                      |
| 2    | 301    | Organization                     | \$ 858                        | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 3    | 302    | Franchise & Consents             | 150                           | 0.00%                             | 0                                    | 0   | 0                                    |
| 4    | 303    | Miscellaneous Intangible         | 1,343                         | 0.00%                             | 0                                    | 0   | 0                                    |
| 5    |        | Total Intangible                 | \$ 2,351                      |                                   | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 6    |        | Source of Supply                 |                               |                                   |                                      |   |                                      |
| 7    | 310    | Land & Land Rights               | \$ 0                          | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 8    | 311    | Structures & Improvements        | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 9    | 312    | Collecting & Impounding Res      | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 10   | 313    | Lake, River & Other Intakes      | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 11   | 314    | Wells & Springs                  | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 12   | 315    | Infiltration Galleries & Tunnels | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 13   | 316    | Supply Mains                     | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 14   | 316    | Supply Mains-North Plant         | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 15   | 316    | Supply Mains-Central Plant       | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 16   | 316    | Supply Mains-South Plant         | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 17   | 316    | Supply Mains-Meramec Plant       | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 18   | 317    | Other Source of Supply Plant     | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 19   |        | Total Source of Supply           | \$ 0                          |                                   | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 20   |        | Pumping                          |                               |                                   |                                      |   |                                      |
| 21   | 320    | Land & Land Rights               | \$ 0                          | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 22   | 321    | S & I-Plant                      | 13,694                        | 1.73%                             | 237                                  | 0   | 237                                  |
| 23   | 321.1  | S & I-Pumps (STL)                | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 24   | 321.2  | S & I-Boosters                   | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 25   | 322    | Boiler Equipment                 | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 26   | 323    | Other Power Prod. Equip.         | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 27   | 324    | Steam Pumping Equipment          | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 28   | 325.1  | Electric Pumping Equipment       | 3,528                         | 2.44%                             | 86                                   | 0   | 86                                   |
| 29   | 325.2  | Pumping Equipment-Pre '46        | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 30   | 325.3  | Pumping Equipment-Post '46       | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 31   | 325    | Pumping Equipment-Booster        | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 32   | 326    | Diesel Pumping Equipment         | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 33   | 326    | Dsl Pump Equip-Stratman          | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 34   | 326    | Dsl Pump Equip-Central Plant     | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 35   | 327    | Pump Equip Hydraulic             | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 36   | 328    | Other Pumping Equipment          | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 37   |        | Total Pumping                    | \$ 17,222                     |                                   | \$ 323                               | \$ 0                                      | \$ 323                               |
| 38   |        | Water Treatment Plant            |                               |                                   |                                      |   |                                      |
| 39   | 330    | Land & Land Rights               | \$ 0                          | 0.00%                             | \$ 0                                 | \$ 0                                      | \$ 0                                 |
| 40   | 331    | Structures & Improvements        | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 41   | 331    | S & I - North Plant              | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 42   | 331    | S & I-Central 1 & 2              | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 43   | 331    | S & I-Central 3                  | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 44   | 331    | S & I-South Plant                | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 45   | 331    | S & I-Meramac                    | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 46   | 332    | WT Equip Non-Media               | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 47   | 332    | WT Equip-North Plant             | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 48   | 332    | WT Equip-Central 1 & 2           | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 49   | 332    | WT Equip-Central 3               | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 50   | 332    | WT Equip-South Plant             | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 51   | 332    | WT Equip-Meramac                 | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 52   | 332    | Other P/E Hand Equipment         | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 53   | 332.4  | Equipment Filter Media           | 0                             | 0.00%                             | 0                                    | 0   | 0                                    |
| 54   |        | Total Water Treatment Plant      | \$ 0                          |                                   | \$ 0                                 | \$ 0                                      | \$ 0                                 |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

| Line | A/C No | Plant Title                         | Total Sewer                |                             |                                |                                     |                                |
|------|--------|-------------------------------------|----------------------------|-----------------------------|--------------------------------|-------------------------------------|--------------------------------|
|      |        |                                     | Total Adjusted Sewer Plant | Composite Depreciation Rate | District Specific Depreciation | Corporate Depreciation Distribution | Total Sewer Plant Depreciation |
|      | (A)    | (B)                                 | (C)                        | (D)                         | (E)                            | (F)                                 | (G)                            |
| 55   |        | Transmission & Distribution         |                            |                             |                                |                                     |                                |
| 56   | 340    | Land & Land Rights                  | \$ 0                       | 0.00%                       | \$ 0                           | \$ 0                                | \$ 0                           |
| 57   | 341    | Structures & Improvements           | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 58   | 341.63 | S & I-Spec Cross                    | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 59   | 342    | Distr. Res. & Standpipes            | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 60   | 342    | Rsvr & Standpipe-Elev               | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 61   | 342    | Rsvr & Standpipe-Ground             | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 62   | 343    | T & D Mains (Not Classified)        | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 63   | 343.1  | T & D Mains - 4" & Less             | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 64   | 343.1  | T & D Mains AC 4 (STL)              | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 65   | 343.1  | T & D Mains Galv 1 (STL)            | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 66   | 343.2  | T & D Mains - 6" to 8"              | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 67   | 343.2  | CI-10" & Smaller-1900-1928          | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 68   | 343.2  | CI-10" & Smaller 1929-1956          | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 69   | 343.2  | CI-10" & Smaller-1957-1993          | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 70   | 343.2  | T & D Mains - DI 6-8 (STL)          | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 71   | 343.2  | T & D Mains - DI 6-10" (TN)         | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 72   | 343.2  | T & D Mains - PL 6-8" (STL)         | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 73   | 343.3  | T & D Mains - 10" to 16"            | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 74   | 343.3  | T & D Mains - 18" & Greater         | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 75   | 343.3  | CI-12" (STL)                        | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 76   | 343.3  | CI-16" (STL)                        | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 77   | 343.3  | T & D Mains - DI 12 (STL)           | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 78   | 343.3  | T & D Mains - DI 16 & Greater (STL) | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 79   | 343.3  | T & D Mains - LJ 20 (STL)           | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 80   | 343.3  | T & D Mains - PL 12 (STL)           | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 81   | 344    | Fire Mains                          | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 82   | 345    | Services                            | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 83   | 346.1  | Meters-Bronze Case                  | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 84   | 346.2  | Meters-Plastic Case                 | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 85   | 346.3  | Meters-Other                        | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 86   | 346.3  | Meters-Remote (ARB's)               | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 87   | 347.1  | Meter Install                       | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 88   | 347.2  | Meter Install-Other                 | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 89   | 348    | Hydrants                            | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 90   | 349    | Other T&D Plant                     | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 91   |        | Total Transmission & Distribution   | \$ 0                       |                             | \$ 0                           | \$ 0                                | \$ 0                           |
| 92   |        | Sewer Plant                         |                            |                             |                                |                                     |                                |
| 93   | 351.0  | Structures & Improvements           | \$ 44,004                  | 2.50%                       | \$ 1,100                       | \$ 0                                | \$ 1,100                       |
| 94   | 352.1  | Collection Sewers Forced            | 13,401                     | 2.00%                       | 268                            | 0                                   | 268                            |
| 95   | 352.2  | Collecting Mains                    | 446,412                    | 2.00%                       | 8,928                          | 0                                   | 8,928                          |
| 96   | 352.2  | Collecting Mains Other              | 70,768                     | 2.00%                       | 1,415                          | 0                                   | 1,415                          |
| 97   | 353.0  | Service to Customers                | 49,429                     | 2.00%                       | 989                            | 0                                   | 989                            |
| 98   | 363.0  | Electric Pumping Equipment          | 12,173                     | 10.00%                      | 1,217                          | 0                                   | 1,217                          |
| 99   | 370.1  | Land & Land Rights                  | 9,300                      | 0.00%                       | 0                              | 0                                   | 0                              |
| 100  | 372    | T&D Equipment                       | 865,495                    | 5.00%                       | 43,275                         | 0                                   | 43,275                         |
| 101  | 372.0  | T&D Equipment Influent Lift         | 151,845                    | 5.00%                       | 7,592                          | 0                                   | 7,592                          |
| 102  | 374    | Outfall Sewer Lines                 | 33,433                     | 2.00%                       | 669                            | 0                                   | 669                            |
| 103  |        | Total Sewer Plant                   | \$ 1,696,260               |                             | \$ 65,453                      | \$ 0                                | \$ 65,453                      |
| 104  |        | General Plant                       |                            |                             |                                |                                     |                                |
| 105  | 389    | Land & Land Rights                  | \$ 0                       | 0.00%                       | \$ 0                           | \$ 0                                | \$ 0                           |
| 106  | 390    | S&I-Store, Shop & Garage            | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 107  | 390.1  | S & I-Offices                       | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |
| 108  | 390.1  | S & I-Leasehold                     | 0                          | 0.00%                       | 0                              | 0                                   | 0                              |

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Depreciation Expense

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)               | Total Adjusted<br>Sewer Plant<br>(C) | Composite<br>Depreciation<br>Rate<br>(D) | Total Sewer                                 |  | Total Sewer<br>Plant<br>Depreciation<br>(G) |
|------|-------------------|----------------------------------|--------------------------------------|--|---|--|---|
|      |                   |                                  |                                      |  | District<br>Specific<br>Depreciation<br>(E) | Corporate<br>Depreciation<br>Distribution<br>(F) |   |
| 109  | 390.1             | S & I-Leasehold - SCADA          | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 110  | 390.3             | S&I-Misc                         | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 111  | 391               | Office Furniture and Equipment   | 10,782                               | 4.00%                                    | 289   | 143  | 431   |
| 112  | 391.2             | Computers & Peripheral Equipment | 10,932                               | 14.29%                                   | 0   | 1,562  | 1,562                                       |
| 113  | 391.25            | Computer Software                | 28,758                               | 14.29%                                   | 0   | 4,109  | 4,109                                       |
| 114  | 391.26            | Computer Software Personal       | 558                                  | 14.29%                                   | 0   | 80   | 80  |
| 115  | 391.3             | Data Handling Equipment          | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 116  | 391.3             | Other Office Equipment           | 67                                   | 6.67%                                    | 0   | 4  | 4   |
| 117  | 392.11            | Trans Equipment-Lt Duty Trucks   | 192                                  | 0.00%                                    | 0   | 0  | 0   |
| 118  | 392.12            | Trans Equipment-Hvy Duty Trucks  | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 119  | 392.2             | Trans Equipment-Autos            | 708                                  | 0.00%                                    | 0   | 0  | 0   |
| 120  | 392.3             | Trans Equipment Other            | 16,245                               | 0.00%                                    | 0   | 0  | 0   |
| 121  | 393               | Stores Equipment                 | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 122  | 394               | Tools, Shop & Garage Equipment   | 3,968                                | 5.00%                                    | 195   | 4  | 198   |
| 123  | 394               | Tools, Shop & Garage Equip Other | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 124  | 395               | Laboratory Equipment             | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 125  | 395               | Laboratory Equipment Other       | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 126  | 396               | Power Operated Equipment         | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 127  | 397               | Comm Equipment-Non-Tele          | 11                                   | 5.00%                                    | 0   | 1  | 1   |
| 128  | 397.2             | Comm Equipment-Tele              | 166                                  | 6.67%                                    | 0   | 11   | 11  |
| 129  | 398               | Miscellaneous                    | 121,766                              | 5.00%                                    | 6,086                                       | 3  | 6,088                                       |
| 130  | 399               | Other Tangible Property          | 0                                    | 0.00%                                    | 0   | 0  | 0   |
| 131  |                   | Total General Plant              | \$ 194,153                           |  | \$ 6,569                                    | \$ 5,917   | \$ 12,486                                   |
| 132  |                   | Total Depreciation Expense       | \$ 1,909,986                         |  | \$ 72,345                                   | \$ 5,917   | \$ 78,262                                   |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Cash Working Capital

| Line | Description<br>(A)   | Total Sewer   |                                    |                       |                                  |  | Cash Working<br>Capital<br>Requirement<br>(Sum of Districts)<br>(G) |
|------|--|---|------------------------------------|-----------------------|----------------------------------|--|---|
|      |  | Adjusted Test<br>Year Expenses<br>(Sum of Districts)<br>(B) | Revenue<br>Lag<br>Composite<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(F)-(G)<br>(E) | Com-posite<br>Factor<br>(G)/(B)<br>(F) |   |
| 1    | Operation & Maintenance Expense  |   |                                    |                       |                                  |  |   |
| 2    | Base Payroll   | \$ 54,432   | 39.86                              | 13.00                 | 26.86                            | 0.0736                                 | \$ 4,006  |
| 3    | Payroll Withholdings:  |   |                                    |                       |                                  |  |   |
| 4    | FICA - Employee Portion  | 7,202   | 39.86                              | 16.19                 | 23.67                            | 0.0648                                 | 467   |
| 5    | Federal Income Taxes Withheld  | 17,851  | 39.87                              | 16.19                 | 23.68                            | 0.0649                                 | 1,158   |
| 6    | State Income Taxes Withheld  | 5,794   | 39.86                              | 18.19                 | 21.67                            | 0.0594                                 | 344   |
| 7    | 401(k)   | 10,377  | 39.88                              | 38.82                 | 1.06                             | 0.0029                                 | 30  |
| 8    | EIP  | 802   | 39.73                              | 38.82                 | 0.91                             | 0.0025                                 | 2   |
| 9    | Fuel & Power   | 21,798  | 39.86                              | 37.20                 | 2.66                             | 0.0073                                 | 159   |
| 10   | Chemicals  | 280   | 0.00                               | 0.00                  | 0.00                             | 0.0000                                 | 0   |
| 11   | Materials and Supplies   | 8,559   | 0.00                               | 0.00                  | 0.00                             | 0.0000                                 | 0   |
| 12   | Purchased Water  | 364   | 39.44                              | 42.45                 | (3.01)                           | (0.0082)                               | (3)   |
| 13   | Management Fees  | 107,583   | 39.88                              | 21.41                 | 18.47                            | 0.0506                                 | 5,443   |
| 14   | Group Insurance  | 27,075  | 39.89                              | (7.50)                | 47.39                            | 0.1298                                 | 3,515   |
| 15   | OPEB's   | 4,847   | 39.86                              | 3.41                  | 36.45                            | 0.0999                                 | 484   |
| 16   | Pensions   | 13,639  | 39.90                              | 17.58                 | 22.32                            | 0.0611                                 | 834   |
| 17   | EIP - Employer Match   | (172)   | 38.82                              | 38.82                 | 0.00                             | 0.0000                                 | 0   |
| 18   | 401(k) - Employer Match  | 1,705   | 39.89                              | 38.82                 | 1.07                             | 0.0029                                 | 5   |
| 19   | Insurance Other Than Group   | 18,171  | 39.89                              | 42.44                 | (2.55)                           | (0.0070)                               | (127)   |
| 20   | Uncollectible Accounts   | 3,868   | 0.00                               | 0.00                  | 0.00                             | 0.0000                                 | 0   |
| 21   | Rents  | 1,677   | 39.66                              | (9.96)                | 49.62                            | 0.1359                                 | 228   |
| 22   | Cash Vouchers  | 141,320   | 39.88                              | 21.41                 | 18.47                            | 0.0506                                 | 7,151   |
| 23   | Total Operation & Maintenance Expense                                  | \$ 447,171  |                                    |                       |                                  |  | \$ 23,696   |
| 24   | Taxes Other Than Income  |   |                                    |                       |                                  |  |   |
| 25   | FICA - Employer Portion  | 7,202   | 39.86                              | 16.19                 | 23.67                            | 0.0648                                 | \$ 467  |
| 26   | Federal Unemployment   | 107   | 42.12                              | 76.38                 | (34.26)                          | (0.0939)                               | (10)  |
| 27   | State Unemployment   | 272   | 40.15                              | 76.38                 | (36.23)                          | (0.0993)                               | (27)  |
| 28   | Property Taxes   | 16  | 47.09                              | 182.50                | (135.41)                         | (0.3710)                               | (6)   |
| 29   | Franchise Tax  | 432   | 39.94                              | (77.50)               | 117.44                           | 0.3217                                 | 139   |
| 30   | PSC Assessment   | 0   | (31.63)                            | (31.63)               | 0.00                             | 0.0000                                 | 0   |
| 31   | Total Taxes Other Than Income  | \$ 8,029  |                                    |                       |                                  |  | \$ 563  |
| 32   | Other Expenses   |   |                                    |                       |                                  |  |   |
| 33   | Gross Receipts Tax   | 1,324   | 22.56                              | 47.37                 | (24.81)                          | (0.0680)                               | (90)  |
| 34   | Sales Tax  | 1,899   | 0.05                               | 8.12                  | (8.07)                           | (0.0221)                               | (42)  |
| 35   | Missouri Primacy Fees  | 0   | 243.50                             | 243.50                | 0.00                             | 0.0000                                 | 0   |
| 36   | Total Other Expenses   | \$ 3,223  |                                    |                       |                                  |  | \$ (132)  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |   |                                    |                       |                                  |  | <b>\$ 24,127</b>  |
| 38   | Interest Expense   | \$ 18,488   | 39.85                              | 108.85                | (69.00)                          | (0.1890)                               | \$ (3,495)  |
| 39   | Federal Income Tax   | \$ 31,735   | 39.89                              | 37.00                 | 2.89                             | 0.0079                                 | \$ 251  |
| 40   | State Income Tax   | \$ 4,987  | 39.85                              | 58.95                 | (19.10)                          | (0.0523)                               | \$ (261)  |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Statement**

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Total Sewer<br>Adjustment |            | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>(B)+(C)+(E)<br>(F) |
|------|--------------------------------|--|---------------------------|------------|--|--|
|      |                                |  | Amount<br>(C)             | No.<br>(D) |  |  |
| 1    | Operating Revenues:            |  |                           |            |  |  |
| 2    | Residential Revenue            | \$ 291,400                             | \$ 24,357                 | S-1        | \$ 0   | \$ 315,757                                     |
| 3    | Commercial Revenue             | (836)                                  | 3,175                     | S-2        | 0  | 2,339  |
| 4    | Industrial Revenue             | 0                                      | 0                         | S-3        | 0  | 0  |
| 5    | Private Fire                   | 0                                      | 0                         | S-4        | 0  | 0  |
| 6    | Public Fire                    | 0                                      | 0                         | S-5        | 0  | 0  |
| 7    | Public Authorities             | 0                                      | 0                         | S-6        | 0  | 0  |
| 8    | Sales For Resale               | 0                                      | 0                         | S-7        | 0  | 0  |
| 9    | Other Revenue                  | 0                                      | 0                         | S-8        | 443  | 443  |
| 10   | Total Revenues                 | \$ 290,564                             | \$ 27,532                 |            | \$ 443                                       | \$ 318,539                                     |
| 11   | Operating Expenses:            |  |                           |            |  |  |
| 12   | Operation & Maintenance:       |  |                           |            |  |  |
| 13   | Source of Supply               | 730                                    | 0                         | S-9        | 1  | 731  |
| 14   | Pumping                        | 8,000                                  | 547                       | S-10       | (355)  | 8,192  |
| 15   | Water Treatment                | 139,396                                | (68,856)                  | S-11       | 0  | 70,540   |
| 16   | Transmission & Distribution    | 84,529                                 | (27,903)                  | S-12       | 0  | 56,626   |
| 17   | Customer Accounts              | 771                                    | (1,371)                   | S-13       | 10,242                                       | 9,642  |
| 18   | Administrative & General       | 116,824                                | 24,591                    | S-14       | 160,024                                      | 301,439  |
| 19   | Total O & M Expense            | \$ 350,250                             | \$ (72,992)               |            | \$ 169,913                                   | \$ 447,171                                     |
| 20   | Other Operating Expenses:      |  |                           |            |  |  |
| 21   | Depreciation - Plant           | 50,431                                 | 6,356                     | S-15       | 5,917  | 62,704   |
| 22   | Amortization                   | 1,812                                  | 0                         | S-16       | 19   | 1,831  |
| 23   | Taxes Other Than Income        | 9,713                                  | (2,470)                   | S-17       | 786  | 8,029  |
| 24   | Total Other Operating Expense  | \$ 61,956                              | \$ 3,886                  |            | \$ 6,721                                     | \$ 72,563                                      |
| 25   | Total Operating Expenses       | 412,206                                | (69,106)                  |            | 176,634                                      | 519,734  |
| 26   | Net Income Before Income Taxes | \$ (121,642)                           | \$ 96,638                 |            | \$ (176,191)                                 | \$ (201,195)                                   |
| 27   | Income Taxes:                  |  |                           |            |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ (39,017)               | S-18       | \$ (23,726)                                  | \$ (62,743)                                    |
| 29   | Deferred Income Tax:           |  |                           |            |  |  |
| 30   | Deferred Income Tax Expense    | 0                                      | 51,559                    | S-19       | (73,085)                                     | (21,526)                                       |
| 31   | ITC Amortization               | 0                                      | 0                         | S-20       | 0  | 0  |
| 32   | Total Income Taxes             | \$ 0                                   | \$ 12,542                 |            | \$ (96,811)                                  | \$ (84,268)                                    |
| 33   | Net Operating Income           | \$ (121,642)                           | \$ 84,096                 |            | \$ (79,380)                                  | \$ (116,926)                                   |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

|                         |   | Total Sewer          |                     |
|-------------------------|---|----------------------|---------------------|
| Adjmt<br>No.            | Description   | Adjustment<br>Amount | Total<br>Adjustment |
| Residential Revenue S-1 |   |                      | \$ 24,357           |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 28,178            |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | (3,821)              |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Commercial Revenue S-2  |   |                      | \$ 3,175            |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 3,175             |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Industrial Revenue S-3  |   |                      | \$ 0                |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 0                 |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| Private Fire S-4        |   |                      | \$ 0                |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| Public Fire S-5         |   | 0                    | \$ 0                |
| 1                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Public Authorities S-6  |   |                      | \$ 0                |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| 2                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Sales For Resale S-7    |   |                      | \$ 0                |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 0                 |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Other Revenue S-8       |   |                      | \$ 0                |
| 1                       | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                    |                     |
| Source of Supply S-9    |   |                      | \$ 0                |
| 1                       | To Annualize Payroll (Hanneken)                                     | \$ 0                 |                     |
| 2                       | To Normalize Overtime Pay (Hanneken)                                | 0                    |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No                                 | Description   | Total Sewer          |                     |
|---|---|----------------------|---------------------|
|   |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 0                    |                     |
| <b>Pumping S-10</b>                         |   |                      | <b>\$ 547</b>       |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 0                 |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 0                    |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | 547                  |                     |
| <b>Water Treatment S-11</b>                 |   |                      | <b>\$ (68,856)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 0                 |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 0                    |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | (68,856)             |                     |
| 6   | To Annualize Chemicals Expense (Grissum)                          | 0                    |                     |
| <b>Transmission &amp; Distribution S-12</b> |   |                      | <b>\$ (27,903)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (28,549)          |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 646                  |                     |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                    |                     |
| <b>Customer Accounts S-13</b>               |   |                      | <b>\$ (1,371)</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 0                 |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 0                    |                     |
| 3   | To Annualize Postage Expense (Grissum)                            | 88                   |                     |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (1,459)              |                     |
| <b>Administrative &amp; General S-14</b>    |   |                      | <b>\$ 24,591</b>    |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (5,318)           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 1,490                |                     |

## Missouri-American Water Company

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**Adjustments To Income Statement**

| Adjmt<br>No.                | Description   | Total Sewer          |                     |
|-----------------------------|---|----------------------|---------------------|
|                             |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                           | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                           | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | 1,226                |                     |
| 5                           | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                           | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                           | To Annualize Insurance Other Than Group (Hagemeyer)                 | 293                  |                     |
| 8                           | To Annualize Other Post Employment Benefits (Hagemeyer)             | 348                  |                     |
| 9                           | To Annualize Tank Painting Expense (Hagemeyer)                      | 0                    |                     |
| 10                          | To Annualize Pension Expense (Hagemeyer)                            | 644                  |                     |
| 11                          | To Annualize Transportation Leases (Hagemeyer)                      | (1,085)              |                     |
| 12                          | To Annualize Waste Disposal Expense (Hagemeyer)                     | 0                    |                     |
| 13                          | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                          | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                          | To Remove Meals, Awards, etc. (Began)                               | 0                    |                     |
| 16                          | To Remove Miscellaneous Expense (Began)                             | 0                    |                     |
| 17                          | To Remove Dues and Donations (Began)                                | 0                    |                     |
| 18                          | To Remove Disallowed Promotion Expense (Began)                      | 0                    |                     |
| 19                          | To Remove Disallowed Advertising Expense (Began)                    | 0                    |                     |
| 20                          | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                          | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                          | To Annualize Payroll Tax Expense (Hanneken)                         | 26,993               |                     |
| 23                          | To Annualize Incentive Compensation Expense (Hanneken)              | 0                    |                     |
| 24                          | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                          | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                          | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                          | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                          | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant</b> |   |                      |                     |
|                             | S-15  |                      | \$ 6,356            |
| 1                           | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 21,914            |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

| Adjmt<br>No.                            | Description  | Total Sewer          |                     |
|---|--|----------------------|---------------------|
|   |  | Adjustment<br>Amount | Total<br>Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (15,558)             |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | 0                    |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ (2,461)           | \$ (2,470)          |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | 0                    |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | (9)                  |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy )                                       | \$ (39,017)          | \$ (39,017)         |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ 51,559            | \$ 51,559           |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| 2                                       |  | 0                    |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Income Tax Calculation

| Line | Description<br>(A)                             | Total Sewer        |                        |                        |                        |
|------|--|--------------------|------------------------|------------------------|------------------------|
|      |  | Test Year<br>(B)   | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ (116,926)       | \$ 42,707              | \$ 43,662              | \$ 44,617              |
| 2    | Add:   |                    |                        |                        |                        |
| 3    | Current Income Tax                             | (62,743)           | 36,721                 | 37,316                 | 37,911                 |
| 4    | Deferred Income Taxes                          |                    |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | (21,526)           | (21,526)               | (21,526)               | (21,526)               |
| 6    | ITC Amortization                               | 0                  | 0                      | 0                      | 0                      |
| 7    | Net Income Before Income Tax                   | \$ (201,195)       | \$ 57,903              | \$ 59,453              | \$ 61,003              |
| 8    | Additions to Net Income Before Income Tax:     |                    |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 62,704          | \$ 62,704              | \$ 62,704              | \$ 62,704              |
| 10   | Contributions In Aid of Construction           | 0                  | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                  | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 169                | 169                    | 169                    | 169                    |
| 13   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 62,873          | \$ 62,873              | \$ 62,873              | \$ 62,873              |
| 16   | Subtractions to Net Income Before Income Tax:  |                    |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 18,488          | \$ 18,488              | \$ 18,488              | \$ 18,488              |
| 18   | Tax Straight Line Depreciation                 | 62,704             | 62,704                 | 62,704                 | 62,704                 |
| 19   | Tax Depreciation in Excess of Straight Line    | (56,073)           | (56,073)               | (56,073)               | (56,073)               |
| 20   | Cost of Removal                                | 0                  | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 25,119          | \$ 25,119              | \$ 25,119              | \$ 25,119              |
| 24   | Net Taxable Income                             | \$ (163,441)       | \$ 95,657              | \$ 97,207              | \$ 98,757              |
| 25   | Provision for Federal Income Tax               |                    |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ (163,441)       | \$ 95,657              | \$ 97,207              | \$ 98,757              |
| 27   | Deduct Missouri Income Tax @ 100.00%           | (8,521)            | 4,987                  | 5,068                  | 5,148                  |
| 28   | Federal Taxable Income                         | \$ (154,920)       | \$ 90,670              | \$ 92,139              | \$ 93,609              |
| 29   | Federal Income Tax @ 35.00%                    | \$ (54,222)        | \$ 31,735              | \$ 32,249              | \$ 32,763              |
| 30   | Provision for Missouri Income Tax              |                    |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ (163,441)       | \$ 95,657              | \$ 97,207              | \$ 98,757              |
| 32   | Deduct Federal Income Tax @ 50.00%             | (27,111)           | 15,867                 | 16,124                 | 16,381                 |
| 33   | Missouri Taxable Income                        | \$ (136,330)       | \$ 79,790              | \$ 81,083              | \$ 82,376              |
| 34   | Missouri Income Tax @ 6.25%                    | \$ (8,521)         | \$ 4,987               | \$ 5,068               | \$ 5,148               |
| 35   | Summary of Provision For Income Tax            |                    |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ (54,222)        | \$ 31,735              | \$ 32,249              | \$ 32,763              |
| 37   | State Income Tax                               | (8,521)            | 4,987                  | 5,068                  | 5,148                  |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ (62,743)</b> | <b>\$ 36,721</b>       | <b>\$ 37,316</b>       | <b>\$ 37,911</b>       |

**BRUNSWICK**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Revenue Requirement**

| Line | (A)  | Brunswick                     |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 1,556,348                  | \$ 1,556,348                  | \$ 1,556,348                  |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 97,427                     | \$ 99,606                     | \$ 101,785                    |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | (235,879)                     | (235,879)                     | (235,879)                     |
| 5    | Additional Net Operating Income Requirement                    | \$ 333,306                    | \$ 335,485                    | \$ 337,664                    |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 48,405                     | \$ 49,762                     | \$ 51,120                     |
| 8    | Test Year Current Income Tax                                   | (159,271)                     | (159,271)                     | (159,271)                     |
| 9    | Additional Current Income Tax Requirement                      | \$ 207,676                    | \$ 209,033                    | \$ 210,391                    |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 540,982                    | \$ 544,519                    | \$ 548,055                    |
| 11   | Allowance for True-up  | \$ 4,597                      | \$ 4,597                      | \$ 4,597                      |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 545,579</b>             | <b>\$ 549,116</b>             | <b>\$ 552,652</b>             |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 133,872                    | \$ 133,872                    | \$ 133,872                    |
| 14   | Total Gross Revenue Requirement                                | \$ 679,451                    | \$ 682,988                    | \$ 686,524                    |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Rate Base

| Line | Description<br>(A)   | Brunswick              |                                  |                     |
|------|--|------------------------|----------------------------------|---------------------|
|      |  | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)        |
| 1    | Plant in Service<br>(From Accounting Schedule 3)                 | \$ 2,480,794           | \$ 55,189                        | \$ 2,535,983        |
| 2    | Less:  |                        |                                  |                     |
| 3    | Accumulated Depreciation Reserve<br>(From Accounting Schedule 5) | 664,349                | 17,243                           | 681,592             |
| 4    | Accumulated Amortization Reserve                                 |                        | 0                                | 0                   |
| 5    | Net Plant in Service   | \$ 1,816,445           | \$ 37,946                        | \$ 1,854,391        |
| 6    | Add:   |                        |                                  |                     |
| 7    | Cash Working Capital<br>(From Accounting Schedule 8)             | \$ 11,831              | \$                               | \$ 11,831           |
| 8    | Materials and Supplies   | 4,574                  | 12                               | 4,586               |
| 9    | Prepayments  |                        | 3,784                            | 3,784               |
| 10   | Deferred OPEB Asset  |                        | 22,991                           | 22,991              |
| 11   | Other  |                        | 0                                | 0                   |
| 12   | Other  |                        | 0                                | 0                   |
| 13   | Other  |                        | 0                                | 0                   |
| 14   | Total Additions to Net Plant in Service                          | \$ 16,405              | \$ 26,787                        | \$ 43,192           |
| 15   | Deduct:  |                        |                                  |                     |
| 16   | Interest Offset<br>(From Accounting Schedule 8)                  | \$ 8,330               | \$                               | \$ 8,330            |
| 17   | Federal Income Tax Offset<br>(From Accounting Schedule 8)        | 25                     |                                  | 25                  |
| 18   | State Income Tax Offset<br>(From Accounting Schedule 8)          | 399                    |                                  | 399                 |
| 19   | Contributions In Aid of Construction:                            | 144,261                | 0                                | 144,261             |
| 20   | Customer Advances  | 155                    | (0)                              | 155                 |
| 21   | Customer Deposits  |                        | 0                                | 0                   |
| 22   | Pre-71 ITC   |                        | 0                                | 0                   |
| 23   | Deferred Income Taxes  |                        | 133,012                          | 133,012             |
| 24   | Accrued Pension Liability  |                        | 55,053                           | 55,053              |
| 25   | Other  |                        | 0                                | 0                   |
| 26   | Other  |                        | 0                                | 0                   |
| 27   | Other  |                        | 0                                | 0                   |
| 28   | Total Deductions to Net Plant in Service                         | \$ 153,170             | \$ 188,065                       | \$ 341,235          |
| 29   | <b>Total Rate Base</b>   | <b>\$ 1,679,680</b>    | <b>\$ (123,332)</b>              | <b>\$ 1,556,348</b> |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Plant In Service

| Brunswick |            |                                  |                       |             |     |                           |                            |        |       |     |         |
|-----------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|--------|-------|-----|---------|
| Line      | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |        |       |     |         |
|           | (A)        |                                  |                       | (B)         | (C) |                           |                            | Amount | No.   | (D) | (E)     |
| 1         |            | Intangible                       |                       |             |     |                           |                            |        |       |     |         |
| 2         | 301        | Organization                     | \$                    |             | \$  | 0                         | P-1                        | \$     | 1,001 | \$  | 1,001   |
| 3         | 302        | Franchise & Consents             |                       | 1,092       |     | 0                         | P-2                        |        | 0     |     | 1,092   |
| 4         | 303        | Miscellaneous Intangible         |                       | 5,710       |     | 0                         | P-3                        |        | 1,567 |     | 7,277   |
| 5         |            | Total Intangible                 | \$                    | 6,802       | \$  | 0                         |                            | \$     | 2,569 | \$  | 9,371   |
| 6         |            | Source of Supply                 |                       |             |     |                           |                            |        |       |     |         |
| 7         | 310        | Land & Land Rights               | \$                    | 11,981      | \$  | 0                         | P-4                        | \$     | 0     | \$  | 11,981  |
| 8         | 311        | Structures & Improvements        |                       | 23,993      |     | 0                         | P-5                        |        | 0     |     | 23,993  |
| 9         | 312        | Collecting & Impounding Res      |                       |             |     | 0                         | P-6                        |        | 0     |     | 0       |
| 10        | 313        | Lake, River & Other Intakes      |                       |             |     | 0                         | P-7                        |        | 0     |     | 0       |
| 11        | 314        | Wells & Springs                  |                       | 194,932     |     | 0                         | P-8                        |        | 0     |     | 194,932 |
| 12        | 315        | Infiltration Galleries & Tunnels |                       | 1,804       |     | 0                         | P-9                        |        | 0     |     | 1,804   |
| 13        | 316        | Supply Mains                     |                       | 80,682      |     | 0                         | P-9                        |        | 0     |     | 80,682  |
| 14        | 316        | Supply Mains-North Plant         |                       |             |     | 0                         | P-10                       |        | 0     |     | 0       |
| 15        | 316        | Supply Mains-Central Plant       |                       |             |     | 0                         | P-11                       |        | 0     |     | 0       |
| 16        | 316        | Supply Mains-South Plant         |                       |             |     | 0                         | P-12                       |        | 0     |     | 0       |
| 17        | 316        | Supply Mains-Meramec Plant       |                       |             |     | 0                         | P-13                       |        | 0     |     | 0       |
| 18        | 317        | Other Source of Supply Plant     |                       |             |     | 0                         | P-14                       |        | 0     |     | 0       |
| 19        |            | Total Source of Supply           | \$                    | 313,392     | \$  | 0                         |                            | \$     | 0     | \$  | 313,392 |
| 20        |            | Pumping                          |                       |             |     |                           |                            |        |       |     |         |
| 21        | 320        | Land & Land Rights               | \$                    |             | \$  | 0                         | P-15                       | \$     | 0     | \$  | 0       |
| 22        | 321        | S & I-Plant                      |                       | 57,331      |     | 0                         | P-16                       |        | 0     |     | 57,331  |
| 23        | 321.1      | S & I-Pumps (STL)                |                       |             |     | 0                         | P-17                       |        | 0     |     | 0       |
| 24        | 321.2      | S & I-Boosters                   |                       |             |     | 0                         | P-18                       |        | 0     |     | 0       |
| 25        | 322        | Boiler Equipment                 |                       |             |     | 0                         | P-19                       |        | 0     |     | 0       |
| 26        | 323        | Other Power Prod. Equip.         |                       | 1,498       |     | 0                         | P-20                       |        | 0     |     | 1,498   |
| 27        | 324        | Steam Pumping Equipment          |                       |             |     | 0                         | P-21                       |        | 0     |     | 0       |
| 28        | 325.1      | Electric Pumping Equipment       |                       | 100,165     |     | 0                         | P-22                       |        | 0     |     | 100,165 |
| 29        | 325.2      | Pumping Equipment-Pre '46        |                       |             |     | 0                         | P-23                       |        | 0     |     | 0       |
| 30        | 325.3      | Pumping Equipment-Post '46       |                       |             |     | 0                         | P-24                       |        | 0     |     | 0       |
| 31        | 325        | Pumping Equipment-Booster        |                       |             |     | 0                         | P-25                       |        | 0     |     | 0       |
| 32        | 326        | Diesel Pumping Equipment         |                       |             |     | 0                         | P-26                       |        | 0     |     | 0       |
| 33        | 326        | Dsl Pump Equip-Stratman          |                       |             |     | 0                         | P-27                       |        | 0     |     | 0       |
| 34        | 326        | Dsl Pump Equip-Central Plant     |                       |             |     | 0                         | P-28                       |        | 0     |     | 0       |
| 35        | 327        | Pump Equip Hydraulic             |                       |             |     | 0                         | P-29                       |        | 0     |     | 0       |
| 36        | 328        | Other Pumping Equipment          |                       | 19,582      |     | 0                         | P-30                       |        | 0     |     | 19,582  |
| 37        |            | Total Pumping                    | \$                    | 178,576     | \$  | 0                         |                            | \$     | 0     | \$  | 178,576 |
| 38        |            | Water Treatment Plant            |                       |             |     |                           |                            |        |       |     |         |
| 39        | 330        | Land & Land Rights               | \$                    | 1,468       | \$  | 0                         | P-31                       | \$     | 0     | \$  | 1,468   |
| 40        | 331        | Structures & Improvements        |                       | 273,867     |     | 0                         | P-32                       |        | 0     |     | 273,867 |
| 41        | 331        | S & I - North Plant              |                       |             |     | 0                         | P-33                       |        | 0     |     | 0       |
| 42        | 331        | S & I-Central 1 & 2              |                       |             |     | 0                         | P-34                       |        | 0     |     | 0       |
| 43        | 331        | S & I-Central 3                  |                       |             |     | 0                         | P-35                       |        | 0     |     | 0       |
| 44        | 331        | S & I-South Plant                |                       |             |     | 0                         | P-36                       |        | 0     |     | 0       |
| 45        | 331        | S & I-Meramac                    |                       |             |     | 0                         | P-37                       |        | 0     |     | 0       |
| 46        | 332        | WT Equip Non-Media               |                       | 193,914     |     | 0                         | P-38                       |        | 0     |     | 193,914 |
| 47        | 332        | WT Equip-North Plant             |                       |             |     | 0                         | P-39                       |        | 0     |     | 0       |

Missouri-American Water Company  
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Plant In Service

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Brunswick<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|-------------------------------------|------------------------------|--------------------------|------------|----------------------------------|-----------------------------------|
|      |                |                                     |                              | Amount<br>(D)            | No.<br>(E) |                                  |                                   |
| 48   | 332            | WT Equip-Central 1 & 2              |                              | 0                        | P-40       | 0                                | 0                                 |
| 49   | 332            | WT Equip-Central 3                  |                              | 0                        | P-41       | 0                                | 0                                 |
| 50   | 332            | WT Equip-South Plant                |                              | 0                        | P-42       | 0                                | 0                                 |
| 51   | 332            | WT Equip-Meramac                    |                              | 0                        | P-43       | 0                                | 0                                 |
| 52   | 332            | Other P/E Hand Equipment            |                              | 0                        | P-44       | 0                                | 0                                 |
| 53   | 332.4          | Equipment Filter Media              | 73,777                       | 0                        | P-45       | 0                                | 73,777                            |
| 54   |                | Total Water Treatment Plant         | \$ 543,026                   | \$ 0                     |            | \$ 0                             | \$ 543,026                        |
| 55   |                | Transmission & Distribution         |                              |                          |            |                                  |                                   |
| 56   | 340            | Land & Land Rights                  | \$ 591                       | \$ 0                     | P-46       | \$ 0                             | \$ 591                            |
| 57   | 341            | Structures & Improvements           | 26,302                       | 0                        | P-47       | 0                                | 26,302                            |
| 58   | 341.63         | S & I-Spec Cross                    |                              | 0                        | P-48       | 0                                | 0                                 |
| 59   | 342            | Distr. Res. & Standpipes            | 52,904                       | 0                        | P-49       | 0                                | 52,904                            |
| 60   | 342            | Rsvr & Standpipe-Elev               | 23,775                       | 0                        | P-50       | 0                                | 23,775                            |
| 61   | 342            | Rsvr & Standpipe-Ground             |                              | 0                        | P-51       | 0                                | 0                                 |
| 62   | 343            | T & D Mains (Not Classified)        | 272,057                      | 0                        | P-52       | 0                                | 272,057                           |
| 63   | 343.1          | T & D Mains - 4" & Less             | 57,171                       | 0                        | P-53       | 0                                | 57,171                            |
| 64   | 343.1          | T & D Mains AC 4 (STL)              |                              | 0                        | P-54       | 0                                | 0                                 |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            |                              | 0                        | P-55       | 0                                | 0                                 |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 249,384                      | 0                        | P-56       | 0                                | 249,384                           |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          |                              | 0                        | P-57       | 0                                | 0                                 |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          |                              | 0                        | P-58       | 0                                | 0                                 |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          |                              | 0                        | P-59       | 0                                | 0                                 |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          |                              | 0                        | P-60       | 0                                | 0                                 |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         |                              | 0                        | P-61       | 0                                | 0                                 |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         |                              | 0                        | P-62       | 0                                | 0                                 |
| 73   | 343.3          | T & D Mains - 10" to 16"            |                              | 0                        | P-63       | 0                                | 0                                 |
| 74   | 343.3          | T & D Mains - 18" & Greater         |                              | 0                        | P-64       | 0                                | 0                                 |
| 75   | 343.3          | CI-12" (STL)                        |                              | 0                        | P-65       | 0                                | 0                                 |
| 76   | 343.3          | CI-16" (STL)                        |                              | 0                        | P-66       | 0                                | 0                                 |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           |                              | 0                        | P-66       | 0                                | 0                                 |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) |                              | 0                        | P-67       | 0                                | 0                                 |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           |                              | 0                        | P-68       | 0                                | 0                                 |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           |                              | 0                        | P-69       | 0                                | 0                                 |
| 81   | 344            | Fire Mains                          |                              | 0                        | P-70       | 0                                | 0                                 |
| 82   | 345            | Services                            | 188,793                      | 0                        | P-71       | 0                                | 188,793                           |
| 83   | 346.1          | Meters-Bronze Case                  | 26,875                       | 0                        | P-72       | 0                                | 26,875                            |
| 84   | 346.2          | Meters-Plastic Case                 |                              | 0                        | P-73       | 0                                | 0                                 |
| 85   | 346.3          | Meters-Other                        | 14,149                       | 0                        | P-74       | 0                                | 14,149                            |
| 86   | 346.3          | Meters-Remote (ARB's)               |                              | 0                        | P-75       | 0                                | 0                                 |
| 87   | 347.1          | Meter Install                       | 95,879                       | 0                        | P-76       | 0                                | 95,879                            |
| 88   | 347.2          | Meter Install-Other                 |                              | 0                        | P-77       | 0                                | 0                                 |
| 89   | 348            | Hydrants                            | 81,097                       | 0                        | P-78       | 0                                | 81,097                            |
| 90   | 349            | Other T&D Plant                     |                              | 0                        | P-79       | 0                                | 0                                 |
| 91   |                | Total Transmission & Distribution   | \$ 1,088,977                 | \$ 0                     |            | \$ 0                             | \$ 1,088,977                      |

Missouri-American Water Company  
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**Plant In Service**

| Brunswick |            |                                  |                       |             |     |                           |                            |
|-----------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|
| Line      | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|           |            |                                  |                       | Amount      | No. |                           |                            |
|           | (A)        | (B)                              | (C)                   | (D)         | (E) | (F)                       | (G)                        |
| 92        |            | Sewer Plant                      |                       |             |     |                           |                            |
| 93        | 351        | Structures & Improvements        | \$                    | \$          | 0   | P-80                      | \$ 0                       |
| 94        | 352.1      | Collection Sewers Forced         |                       |             | 0   | P-81                      | 0                          |
| 95        | 352.2      | Collecting Mains                 |                       |             | 0   | P-82                      | 0                          |
| 96        | 352.2      | Collecting Mains Other           |                       |             | 0   | P-83                      | 0                          |
| 97        | 353        | Service to Customers             |                       |             | 0   | P-84                      | 0                          |
| 98        | 363        | Electric Pumping Equipment       |                       |             | 0   | P-85                      | 0                          |
| 99        | 370.1      | Land & Land Rights               |                       |             | 0   | P-86                      | 0                          |
| 100       | 372        | T&D Equipment                    |                       |             | 0   | P-87                      | 0                          |
| 101       | 372        | T&D Equipment Influent Lift      |                       |             | 0   | P-88                      | 0                          |
| 102       | 374        | Outfall Sewer Lines              |                       |             | 0   | P-89                      | 0                          |
| 103       |            | Total Sewer Plant                | \$ 0                  | \$ 0        |     | \$ 0                      | \$ 0                       |
| 104       |            | General Plant                    |                       |             |     |                           |                            |
| 105       | 389        | Land & Land Rights               | \$                    | \$          | 0   | P-90                      | \$ 0                       |
| 106       | 390        | S&I-Store, Shop & Garage         | 500                   |             | 0   | P-91                      | 500                        |
| 107       | 390.1      | S & I-Offices                    | 4,270                 |             | 0   | P-92                      | 4,270                      |
| 108       | 390.1      | S & I-Leasehold                  |                       |             | 0   | P-93                      | 0                          |
| 109       | 390.1      | S & I-Leasehold - SCADA          |                       |             | 0   | P-94                      | 0                          |
| 110       | 390.3      | S&I-Misc                         | 17,568                |             | 0   | P-95                      | 17,568                     |
| 111       | 391        | Office Furniture and Equipment   | 2,075                 |             | 0   | P-96                      | 4,162                      |
| 112       | 391.2      | Computers & Peripheral Equipment | 750                   |             | 0   | P-97                      | 12,759                     |
| 113       | 391.25     | Computer Software                |                       |             | 0   | P-98                      | 33,563                     |
| 114       | 391.26     | Computer Software Personal       |                       |             | 0   | P-99                      | 651                        |
| 115       | 391.3      | Data Handling Equipment          | 47,111                |             | 0   | P-100                     | 0                          |
| 116       | 391.3      | Other Office Equipment           | 3,048                 |             | 0   | P-101                     | 78                         |
| 117       | 392.11     | Trans Equipment-Lt Duty Trucks   | 34,091                |             | 0   | P-102                     | 224                        |
| 118       | 392.12     | Trans Equipment-Hvy Duty Trucks  |                       |             | 0   | P-103                     | 0                          |
| 119       | 392.2      | Trans Equipment-Autos            |                       |             | 0   | P-104                     | 827                        |
| 120       | 392.3      | Trans Equipment Other            |                       |             | 0   | P-105                     | 0                          |
| 121       | 393        | Stores Equipment                 | 16,014                |             | 0   | P-106                     | 0                          |
| 122       | 394        | Tools, Shop & Garage Equipment   | 32,945                |             | 0   | P-107                     | 91                         |
| 123       | 394        | Tools, Shop & Garage Equip Other |                       |             | 0   | P-108                     | 0                          |
| 124       | 395        | Laboratory Equipment             | 25,810                |             | 0   | P-109                     | 0                          |
| 125       | 395        | Laboratory Equipment Other       |                       |             | 0   | P-110                     | 0                          |
| 126       | 396        | Power Operated Equipment         |                       |             | 0   | P-111                     | 0                          |
| 127       | 397        | Comm Equipment-Non-Tele          |                       |             | 0   | P-112                     | 12                         |
| 128       | 397.2      | Comm Equipment-Tele              |                       |             | 0   | P-113                     | 193                        |
| 129       | 398        | Miscellaneous                    | 141,291               |             | 0   | P-114                     | 60                         |
| 130       | 399        | Other Tangible Property          | 24,548                |             | 0   | P-115                     | 0                          |
| 131       |            | Total General Plant              | \$ 350,021            | \$ 0        |     | \$ 52,621                 | \$ 402,642                 |
| 132       |            | Total Plant In Service           | \$ 2,480,794          | \$ 0        |     | \$ 55,189                 | \$ 2,535,983               |

Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Plant In Service**

Brunswick

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

Brunswick

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |        |         |
|------|------------|----------------------------------|-----------------------|-------------|------|---------------------------|----------------------------|--------|---------|
|      | (A)        |                                  |                       | (B)         | (C)  |                           |                            | Amount | No.     |
| 1    |            | Intangible                       |                       |             |      |                           |                            |        |         |
| 2    | 301        | Organization                     | \$                    |             | \$ 0 | R-1                       | \$ 0                       | \$     | 0       |
| 3    | 302        | Franchise & Consents             |                       |             | 0    | R-2                       | 0                          |        | 0       |
| 4    | 303        | Miscellaneous Intangible         |                       |             | 0    | R-3                       | 1,881                      |        | 1,881   |
| 5    |            | Total Intangible                 | \$                    | 0           | \$ 0 |                           | 1,881                      | \$     | 1,881   |
| 6    |            | Source of Supply                 |                       |             |      |                           |                            |        |         |
| 7    | 310        | Land & Land Rights               | \$                    |             | \$ 0 | R-4                       | \$ 0                       | \$     | 0       |
| 8    | 311        | Structures & Improvements        |                       | 2,883       | 0    | R-5                       | 0                          |        | 2,883   |
| 9    | 312        | Collecting & Impounding Res      |                       |             | 0    | R-6                       | 0                          |        | 0       |
| 10   | 313        | Lake, River & Other Intakes      |                       |             | 0    | R-7                       | 0                          |        | 0       |
| 11   | 314        | Wells & Springs                  |                       | 61,115      | 0    | R-8                       | 0                          |        | 61,115  |
| 12   | 315        | Infiltration Galleries & Tunnels |                       |             | 0    | R-9                       | 0                          |        | 0       |
| 13   | 316        | Supply Mains                     |                       | 30,332      | 0    | R-9                       | 0                          |        | 30,332  |
| 14   | 316        | Supply Mains-North Plant         |                       |             | 0    | R-10                      | 0                          |        | 0       |
| 15   | 316        | Supply Mains-Central Plant       |                       |             | 0    | R-11                      | 0                          |        | 0       |
| 16   | 316        | Supply Mains-South Plant         |                       |             | 0    | R-12                      | 0                          |        | 0       |
| 17   | 316        | Supply Mains-Meramec Plant       |                       |             | 0    | R-13                      | 0                          |        | 0       |
| 18   | 317        | Other Source of Supply Plant     |                       |             | 0    | R-14                      | 0                          |        | 0       |
| 19   |            | Total Source of Supply           | \$                    | 94,330      | \$ 0 |                           | 0                          | \$     | 94,330  |
| 20   |            | Pumping                          |                       |             |      |                           |                            |        |         |
| 21   | 320        | Land & Land Rights               | \$                    |             | \$ 0 | R-15                      | \$ 0                       | \$     | 0       |
| 22   | 321        | S & I-Plant                      |                       | 4,649       | 0    | R-16                      | 0                          |        | 4,649   |
| 23   | 321.1      | S & I-Pumps (STL)                |                       |             | 0    | R-17                      | 0                          |        | 0       |
| 24   | 321.2      | S & I-Boosters                   |                       |             | 0    | R-18                      | 0                          |        | 0       |
| 25   | 322        | Boiler Equipment                 |                       |             | 0    | R-19                      | 0                          |        | 0       |
| 26   | 323        | Other Power Prod. Equip.         |                       | 784         | 0    | R-20                      | 0                          |        | 784     |
| 27   | 324        | Steam Pumping Equipment          |                       |             | 0    | R-21                      | 0                          |        | 0       |
| 28   | 325.1      | Electric Pumping Equipment       |                       | 32,409      | 0    | R-22                      | 0                          |        | 32,409  |
| 29   | 325.2      | Pumping Equipment-Pre '46        |                       |             | 0    | R-23                      | 0                          |        | 0       |
| 30   | 325.3      | Pumping Equipment-Post '46       |                       |             | 0    | R-24                      | 0                          |        | 0       |
| 31   | 325        | Pumping Equipment-Booster        |                       |             | 0    | R-25                      | 0                          |        | 0       |
| 32   | 326        | Diesel Pumping Equipment         |                       |             | 0    | R-26                      | 0                          |        | 0       |
| 33   | 326        | Dsl Pump Equip-Stratman          |                       |             | 0    | R-27                      | 0                          |        | 0       |
| 34   | 326        | Dsl Pump Equip-Central Plant     |                       |             | 0    | R-28                      | 0                          |        | 0       |
| 35   | 327        | Pump Equip Hydraulic             |                       |             | 0    | R-29                      | 0                          |        | 0       |
| 36   | 328        | Other Pumping Equipment          |                       | 324         | 0    | R-30                      | 0                          |        | 324     |
| 37   |            | Total Pumping                    | \$                    | 38,166      | \$ 0 |                           | 0                          | \$     | 38,166  |
| 38   |            | Water Treatment Plant            |                       |             |      |                           |                            |        |         |
| 39   | 330        | Land & Land Rights               | \$                    |             | \$ 0 | R-31                      | \$ 0                       | \$     | 0       |
| 40   | 331        | Structures & Improvements        |                       | 123,917     | 0    | R-32                      | 0                          |        | 123,917 |
| 41   | 331        | S & I - North Plant              |                       |             | 0    | R-33                      | 0                          |        | 0       |
| 42   | 331        | S & I-Central 1 & 2              |                       |             | 0    | R-34                      | 0                          |        | 0       |
| 43   | 331        | S & I-Central 3                  |                       |             | 0    | R-35                      | 0                          |        | 0       |
| 44   | 331        | S & I-South Plant                |                       |             | 0    | R-36                      | 0                          |        | 0       |
| 45   | 331        | S & I-Meramac                    |                       |             | 0    | R-37                      | 0                          |        | 0       |
| 46   | 332        | WT Equip Non-Media               |                       | 93,696      | 0    | R-38                      | 0                          |        | 93,696  |
| 47   | 332        | WT Equip-North Plant             |                       |             | 0    | R-39                      | 0                          |        | 0       |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Reserve

Brunswick

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(G)+(D)+(F)<br>(G) |
|------|-------------------|-------------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                     |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 48   | 332               | WT Equip-Central 1 & 2              |                              | 0             | R-40       | 0                                | 0                                 |
| 49   | 332               | WT Equip-Central 3                  |                              | 0             | R-41       | 0                                | 0                                 |
| 50   | 332               | WT Equip-South Plant                |                              | 0             | R-42       | 0                                | 0                                 |
| 51   | 332               | WT Equip-Meramac                    |                              | 0             | R-43       | 0                                | 0                                 |
| 52   | 332               | Other P/E Hand Equipment            |                              | 0             | R-44       | 0                                | 0                                 |
| 53   | 332.4             | Equipment Filter Media              |                              | 0             | R-45       | 0                                | 0                                 |
| 54   |                   | Total Water Treatment Plant         | \$ 217,613                   | \$ 0          |            | \$ 0                             | \$ 217,613                        |
| 55   |                   | Transmission & Distribution         |                              |               |            |                                  |                                   |
| 56   | 340               | Land & Land Rights                  | \$                           | \$ 0          | R-46       | \$ 0                             | \$ 0                              |
| 57   | 341               | Structures & Improvements           | 3,575                        | 0             | R-47       | 0                                | 3,575                             |
| 58   | 341.63            | S & I-Spec Cross                    |                              | 0             | R-48       | 0                                | 0                                 |
| 59   | 342               | Distr. Res. & Standpipes            | 17,820                       | 0             | R-49       | 0                                | 17,820                            |
| 60   | 342               | Rsvr & Standpipe-Elev               | 1,517                        | 0             | R-50       | 0                                | 1,517                             |
| 61   | 342               | Rsvr & Standpipe-Ground             |                              | 0             | R-51       | 0                                | 0                                 |
| 62   | 343               | T & D Mains (Not Classified)        | 143,846                      | 0             | R-52       | 0                                | 143,846                           |
| 63   | 343.1             | T & D Mains - 4" & Less             | 1,923                        | 0             | R-53       | 0                                | 1,923                             |
| 64   | 343.1             | T & D Mains AC 4 (STL)              |                              | 0             | R-54       | 0                                | 0                                 |
| 65   | 343.1             | T & D Mains Galv 1 (STL)            |                              | 0             | R-55       | 0                                | 0                                 |
| 66   | 343.2             | T & D Mains - 6" to 8"              | 4,255                        | 0             | R-56       | 0                                | 4,255                             |
| 67   | 343.2             | CI-10" & Smaller-1900-1928          |                              | 0             | R-57       | 0                                | 0                                 |
| 68   | 343.2             | CI-10" & Smaller 1929-1956          |                              | 0             | R-58       | 0                                | 0                                 |
| 69   | 343.2             | CI-10" & Smaller-1957-1993          |                              | 0             | R-59       | 0                                | 0                                 |
| 70   | 343.2             | T & D Mains - DI 6-8 (STL)          |                              | 0             | R-60       | 0                                | 0                                 |
| 71   | 343.2             | T & D Mains - DI 6-10" (TN)         |                              | 0             | R-61       | 0                                | 0                                 |
| 72   | 343.2             | T & D Mains - PL 6-8" (STL)         |                              | 0             | R-62       | 0                                | 0                                 |
| 73   | 343.3             | T & D Mains - 10" to 16"            |                              | 0             | R-63       | 0                                | 0                                 |
| 74   | 343.3             | T & D Mains - 18" & Greater         |                              | 0             | R-64       | 0                                | 0                                 |
| 75   | 343.3             | CI-12" (STL)                        |                              | 0             | R-65       | 0                                | 0                                 |
| 76   | 343.3             | CI-16" (STL)                        |                              | 0             | R-66       | 0                                | 0                                 |
| 77   | 343.3             | T & D Mains - DI 12 (STL)           |                              | 0             | R-66       | 0                                | 0                                 |
| 78   | 343.3             | T & D Mains - DI 16 & Greater (STL) |                              | 0             | R-67       | 0                                | 0                                 |
| 79   | 343.3             | T & D Mains - LJ 20 (STL)           |                              | 0             | R-68       | 0                                | 0                                 |
| 80   | 343.3             | T & D Mains - PL 12 (STL)           |                              | 0             | R-69       | 0                                | 0                                 |
| 81   | 344               | Fire Mains                          |                              | 0             | R-70       | 0                                | 0                                 |
| 82   | 345               | Services                            | 16,763                       | 0             | R-71       | 0                                | 16,763                            |
| 83   | 346.1             | Meters-Bronze Case                  | 2,354                        | 0             | R-72       | 0                                | 2,354                             |
| 84   | 346.2             | Meters-Plastic Case                 |                              | 0             | R-73       | 0                                | 0                                 |
| 85   | 346.3             | Meters-Other                        | 15,544                       | 0             | R-74       | 0                                | 15,544                            |
| 86   | 346.3             | Meters-Remote (ARB's)               |                              | 0             | R-75       | 0                                | 0                                 |
| 87   | 347.1             | Meter Install                       | 5,177                        | 0             | R-76       | 0                                | 5,177                             |
| 88   | 347.2             | Meter Install-Other                 |                              | 0             | R-77       | 0                                | 0                                 |
| 89   | 348               | Hydrants                            | 30,516                       | 0             | R-78       | 0                                | 30,516                            |
| 90   | 349               | Other T&D Plant                     |                              | 0             | R-79       | 0                                | 0                                 |
| 91   |                   | Total Transmission & Distribution   | \$ 243,290                   | \$ 0          |            | \$ 0                             | \$ 243,290                        |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

Brunswick

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(E) |         |     |         |
|------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|---------|-----|---------|
|      | (A)        |                                  |                       | (B)         | (C) |                           |                            | (D)     | (E) | (F)     |
| 92   |            | Sewer Plant                      |                       |             |     |                           |                            |         |     |         |
| 93   | 351.0      | Structures & Improvements        | \$                    | \$          | 0   | R-80                      | \$ 0                       | \$ 0    |     |         |
| 94   | 352.1      | Collection Sewers Forced         |                       |             | 0   | R-81                      | 0                          | 0       |     |         |
| 95   | 352.2      | Collecting Mains                 |                       |             | 0   | R-82                      | 0                          | 0       |     |         |
| 96   | 352.2      | Collecting Mains Other           |                       |             | 0   | R-83                      | 0                          | 0       |     |         |
| 97   | 353.0      | Service to Customers             |                       |             | 0   | R-84                      | 0                          | 0       |     |         |
| 98   | 363.0      | Electric Pumping Equipment       |                       |             | 0   | R-85                      | 0                          | 0       |     |         |
| 99   | 370.1      | Land & Land Rights               |                       |             | 0   | R-86                      | 0                          | 0       |     |         |
| 100  | 372        | T&D Equipment                    |                       |             | 0   | R-87                      | 0                          | 0       |     |         |
| 101  | 372.0      | T&D Equipment Influent Lift      |                       |             | 0   | R-88                      | 0                          | 0       |     |         |
| 102  | 374        | Outfall Sewer Lines              |                       |             | 0   | R-89                      | 0                          | 0       |     |         |
| 103  |            | Total Sewer Plant                | \$                    | 0           | \$  | 0                         | \$                         | 0       |     |         |
| 104  |            | General Plant                    |                       |             |     |                           |                            |         |     |         |
| 105  | 389        | Land & Land Rights               | \$                    | \$          | 0   | R-90                      | \$                         | 0       |     |         |
| 106  | 390        | S&I-Store, Shop & Garage         |                       | 27          | 0   | R-91                      | 0                          | 27      |     |         |
| 107  | 390.1      | S & I-Offices                    |                       | 704         | 0   | R-92                      | (887)                      | (183)   |     |         |
| 108  | 390.1      | S & I-Leasehold                  |                       |             | 0   | R-93                      | 0                          | 0       |     |         |
| 109  | 390.1      | S & I-Leasehold - SCADA          |                       |             | 0   | R-94                      | 0                          | 0       |     |         |
| 110  | 390.3      | S&I-Misc                         |                       |             | 0   | R-95                      | 0                          | 0       |     |         |
| 111  | 391        | Office Furniture and Equipment   |                       | (89)        | 0   | R-96                      | (122)                      | (211)   |     |         |
| 112  | 391.2      | Computers & Peripheral Equipment |                       | 6           | 0   | R-97                      | 662                        | 668     |     |         |
| 113  | 391.25     | Computer Software                |                       |             | 0   | R-98                      | 14,318                     | 14,318  |     |         |
| 114  | 391.26     | Computer Software Personal       |                       |             | 0   | R-99                      | 139                        | 139     |     |         |
| 115  | 391.3      | Data Handling Equipment          |                       | 4,880       | 0   | R-100                     | 0                          | 4,880   |     |         |
| 116  | 391.3      | Other Office Equipment           |                       | 676         | 0   | R-101                     | 49                         | 725     |     |         |
| 117  | 392.11     | Trans Equipment-Lt Duty Trucks   |                       | 17,130      | 0   | R-102                     | 343                        | 17,473  |     |         |
| 118  | 392.12     | Trans Equipment-Hvy Duty Trucks  |                       |             | 0   | R-103                     | 0                          | 0       |     |         |
| 119  | 392.2      | Trans Equipment-Autos            |                       |             | 0   | R-104                     | 673                        | 673     |     |         |
| 120  | 392.3      | Trans Equipment Other            |                       | 12,484      | 0   | R-105                     | 0                          | 12,484  |     |         |
| 121  | 393        | Stores Equipment                 |                       | 1,022       | 0   | R-106                     | 0                          | 1,022   |     |         |
| 122  | 394        | Tools, Shop & Garage Equipment   |                       | 9,290       | 0   | R-107                     | 29                         | 9,319   |     |         |
| 123  | 394        | Tools, Shop & Garage Equip Other |                       |             | 0   | R-108                     | 0                          | 0       |     |         |
| 124  | 395        | Laboratory Equipment             |                       | 2,830       | 0   | R-109                     | 0                          | 2,830   |     |         |
| 125  | 395        | Laboratory Equipment Other       |                       |             | 0   | R-110                     | 0                          | 0       |     |         |
| 126  | 396        | Power Operated Equipment         |                       |             | 0   | R-111                     | 0                          | 0       |     |         |
| 127  | 397        | Comm Equipment-Non-Tele          |                       | (2,120)     | 0   | R-112                     | 63                         | (2,057) |     |         |
| 128  | 397.2      | Comm Equipment-Tele              |                       | 3,051       | 0   | R-113                     | 78                         | 3,129   |     |         |
| 129  | 398        | Miscellaneous                    |                       | 17,225      | 0   | R-114                     | 17                         | 17,242  |     |         |
| 130  | 399        | Other Tangible Property          |                       | 4,188       | 0   | R-115                     | 0                          | 4,188   |     |         |
| 131  |            | Total General Plant              | \$                    | 71,304      | \$  | 0                         | \$                         | 15,362  | \$  | 86,666  |
| 132  |            | Not Classified                   | \$                    | (354)       | \$  | 0                         | R-116                      | \$      | 0   | (354)   |
| 133  |            | Total Depreciation Reserve       | \$                    | 664,349     | \$  | 0                         | \$                         | 17,243  | \$  | 681,592 |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Reserve**

Brunswick

**NO ADJUSTMENTS**

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

| Line | A/C No. | Plant Title                      | District Specific Plant<br>(A/C Sch 3) | Depreciation Rate | Brunswick                      |                                     |                             |
|------|---------|----------------------------------|--|-------------------|--------------------------------|-------------------------------------|-----------------------------|
|      |         |                                  |  |                   | District Specific Depreciation | Corporate Depreciation Distribution | Total District Depreciation |
|      | (A)     | (B)                              | (C)                                    | (D)               | (E)                            | (F)                                 | (G)                         |
| 1    |         | Intangible                       |  |                   |                                |                                     |                             |
| 2    | 301     | Organization                     | \$ 0                                   | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 3    | 302     | Franchise & Consents             | 1,092                                  | 0.00%             | 0                              | 0                                   | 0                           |
| 4    | 303     | Miscellaneous Intangible         | 5,710                                  | 0.00%             | 0                              | 0                                   | 0                           |
| 5    |         | Total Intangible                 | \$ 6,802                               |                   | \$ 0                           | \$ 0                                | \$ 0                        |
| 6    |         | Source of Supply                 |  |                   |                                |                                     |                             |
| 7    | 310     | Land & Land Rights               | \$ 11,981                              | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 8    | 311     | Structures & Improvements        | 23,993                                 | 2.45%             | 588                            | 0                                   | 588                         |
| 9    | 312     | Collecting & Impounding Res      | 0                                      | 1.25%             | 0                              | 0                                   | 0                           |
| 10   | 313     | Lake, River & Other Intakes      | 0                                      | 1.77%             | 0                              | 0                                   | 0                           |
| 11   | 314     | Wells & Springs                  | 194,932                                | 1.67%             | 3,255                          | 0                                   | 3,255                       |
| 12   | 315     | Infiltration Galleries & Tunnels | 1,804                                  | 1.67%             | 30                             | 0                                   | 30                          |
| 13   | 316     | Supply Mains                     | 80,682                                 | 1.60%             | 1,291                          | 0                                   | 1,291                       |
| 14   | 316     | Supply Mains-North Plant         | 0                                      | 1.60%             | 0                              | 0                                   | 0                           |
| 15   | 316     | Supply Mains-Central Plant       | 0                                      | 1.60%             | 0                              | 0                                   | 0                           |
| 16   | 316     | Supply Mains-South Plant         | 0                                      | 1.60%             | 0                              | 0                                   | 0                           |
| 17   | 316     | Supply Mains-Meramec Plant       | 0                                      | 1.60%             | 0                              | 0                                   | 0                           |
| 18   | 317     | Other Source of Supply Plant     | 0                                      | 4.00%             | 0                              | 0                                   | 0                           |
| 19   |         | Total Source of Supply           | \$ 313,392                             |                   | \$ 5,164                       | \$ 0                                | \$ 5,164                    |
| 20   |         | Pumping                          |  |                   |                                |                                     |                             |
| 21   | 320     | Land & Land Rights               | \$ 0                                   | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 22   | 321     | S & I-Plant                      | 57,331                                 | 1.73%             | 992                            | 0                                   | 992                         |
| 23   | 321.1   | S & I-Pumps (STL)                | 0                                      | 1.73%             | 0                              | 0                                   | 0                           |
| 24   | 321.2   | S & I-Boosters                   | 0                                      | 1.73%             | 0                              | 0                                   | 0                           |
| 25   | 322     | Boiler Equipment                 | 0                                      | 2.00%             | 0                              | 0                                   | 0                           |
| 26   | 323     | Other Power Prod. Equip.         | 1,498                                  | 2.00%             | 30                             | 0                                   | 30                          |
| 27   | 324     | Steam Pumping Equipment          | 0                                      | 0.00%             | 0                              | 0                                   | 0                           |
| 28   | 325.1   | Electric Pumping Equipment       | 100,165                                | 2.44%             | 2,444                          | 0                                   | 2,444                       |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 30   | 325.3   | Pumping Equipment-Post '46       | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 31   | 325     | Pumping Equipment-Booster        | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 32   | 326     | Diesel Pumping Equipment         | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 33   | 326     | Dsl Pump Equip-Stratman          | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 35   | 327     | Pump Equip Hydraulic             | 0                                      | 2.44%             | 0                              | 0                                   | 0                           |
| 36   | 328     | Other Pumping Equipment          | 19,582                                 | 2.44%             | 478                            | 0                                   | 478                         |
| 37   |         | Total Pumping                    | \$ 178,576                             |                   | \$ 3,944                       | \$ 0                                | \$ 3,944                    |
| 38   |         | Water Treatment Plant            |  |                   |                                |                                     |                             |
| 39   | 330     | Land & Land Rights               | \$ 1,468                               | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 40   | 331     | Structures & Improvements        | 273,867                                | 1.63%             | 4,464                          | 0                                   | 4,464                       |
| 41   | 331     | S & I - North Plant              | 0                                      | 1.63%             | 0                              | 0                                   | 0                           |
| 42   | 331     | S & I-Central 1 & 2              | 0                                      | 1.63%             | 0                              | 0                                   | 0                           |
| 43   | 331     | S & I-Central 3                  | 0                                      | 1.63%             | 0                              | 0                                   | 0                           |
| 44   | 331     | S & I-South Plant                | 0                                      | 1.63%             | 0                              | 0                                   | 0                           |
| 45   | 331     | S & I-Meramac                    | 0                                      | 1.63%             | 0                              | 0                                   | 0                           |
| 46   | 332     | WT Equip Non-Media               | 193,914                                | 2.78%             | 5,391                          | 0                                   | 5,391                       |
| 47   | 332     | WT Equip-North Plant             | 0                                      | 2.78%             | 0                              | 0                                   | 0                           |
| 48   | 332     | WT Equip-Central 1 & 2           | 0                                      | 2.78%             | 0                              | 0                                   | 0                           |
| 49   | 332     | WT Equip-Central 3               | 0                                      | 2.78%             | 0                              | 0                                   | 0                           |
| 50   | 332     | WT Equip-South Plant             | 0                                      | 2.78%             | 0                              | 0                                   | 0                           |
| 51   | 332     | WT Equip-Meramac                 | 0                                      | 2.78%             | 0                              | 0                                   | 0                           |
| 52   | 332     | Other P/E Hand Equipment         | 0                                      | 3.33%             | 0                              | 0                                   | 0                           |
| 53   | 332.4   | Equipment Filter Media           | 73,777                                 | 2.78%             | 2,051                          | 0                                   | 2,051                       |
| 54   |         | Total Water Treatment Plant      | \$ 543,026                             |                   | \$ 11,906                      | \$ 0                                | \$ 11,906                   |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

Brunswick

| Line | A/C<br>No. | Plant Title                         | District<br>Specific Plant<br>(Avg. Age) | Depreciation<br>Rate | Brunswick                            |   |                                |
|------|------------|-------------------------------------|--|----------------------|--------------------------------------|---|--------------------------------|
|      |            |                                     |  |                      | District<br>Specific<br>Depreciation | Corporate<br>Depreciation<br>Distribution | Total District<br>Depreciation |
|      | (A)        | (B)                                 | (C)                                      | (D)                  | (E)                                  | (F)                                       | (G)                            |
| 55   |            | Transmission & Distribution         |  |                      |                                      |   |                                |
| 56   | 340        | Land & Land Rights                  | \$ 591                                   | 0.00%                | \$ 0                                 | \$ 0                                      | \$ 0                           |
| 57   | 341        | Structures & Improvements           | 26,302                                   | 2.67%                | 702                                  | 0   | 702                            |
| 58   | 341.63     | S & I-Spec Cross                    | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 59   | 342        | Distr. Res. & Standpipes            | 52,904                                   | 2.25%                | 1,190                                | 0   | 1,190                          |
| 60   | 342        | Rsvr & Standpipe-Elev               | 23,775                                   | 2.25%                | 535                                  | 0   | 535                            |
| 61   | 342        | Rsvr & Standpipe-Ground             | 0  | 2.25%                | 0                                    | 0   | 0                              |
| 62   | 343        | T & D Mains (Not Classified)        | 272,057                                  | 1.50%                | 4,081                                | 0   | 4,081                          |
| 63   | 343.1      | T & D Mains - 4" & Less             | 57,171                                   | 1.50%                | 858                                  | 0   | 858                            |
| 64   | 343.1      | T & D Mains AC 4 (STL)              | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 65   | 343.1      | T & D Mains Galv 1 (STL)            | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 66   | 343.2      | T & D Mains - 6" to 8"              | 249,384                                  | 1.50%                | 3,741                                | 0   | 3,741                          |
| 67   | 343.2      | CI-10" & Smaller-1900-1928          | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 68   | 343.2      | CI-10" & Smaller 1929-1956          | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 69   | 343.2      | CI-10" & Smaller-1957-1993          | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 70   | 343.2      | T & D Mains - DI 6-8 (STL)          | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 71   | 343.2      | T & D Mains - DI 6-10" (TN)         | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 72   | 343.2      | T & D Mains - PL 6-8" (STL)         | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 73   | 343.3      | T & D Mains - 10" to 16"            | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 74   | 343.3      | T & D Mains - 18" & Greater         | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 75   | 343.3      | CI-12" (STL)                        | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 76   | 343.3      | CI-16" (STL)                        | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 77   | 343.3      | T & D Mains - DI 12 (STL)           | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 78   | 343.3      | T & D Mains - DI 16 & Greater (STL) | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 79   | 343.3      | T & D Mains - LJ 20 (STL)           | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 80   | 343.3      | T & D Mains - PL 12 (STL)           | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 81   | 344        | Fire Mains                          | 0  | 1.50%                | 0                                    | 0   | 0                              |
| 82   | 345        | Services                            | 188,793                                  | 3.08%                | 5,815                                | 0   | 5,815                          |
| 83   | 346.1      | Meters-Bronze Case                  | 26,875                                   | 2.43%                | 653                                  | 0   | 653                            |
| 84   | 346.2      | Meters-Plastic Case                 | 0  | 2.43%                | 0                                    | 0   | 0                              |
| 85   | 346.3      | Meters-Other                        | 14,149                                   | 2.43%                | 344                                  | 0   | 344                            |
| 86   | 346.3      | Meters-Remote (ARB's)               | 0  | 2.43%                | 0                                    | 0   | 0                              |
| 87   | 347.1      | Meter Install                       | 95,879                                   | 2.43%                | 2,330                                | 0   | 2,330                          |
| 88   | 347.2      | Meter Install-Other                 | 0  | 2.43%                | 0                                    | 0   | 0                              |
| 89   | 348        | Hydrants                            | 81,097                                   | 1.92%                | 1,557                                | 0   | 1,557                          |
| 90   | 349        | Other T&D Plant                     | 0  | 2.00%                | 0                                    | 0   | 0                              |
| 91   |            | Total Transmission & Distribution   | \$ 1,088,977                             |                      | \$ 21,805                            | \$ 0                                      | \$ 21,805                      |
| 92   |            | Sewer Plant                         |  |                      |                                      |   |                                |
| 93   | 351.0      | Structures & Improvements           | \$ 0                                     | 0.00%                | \$ 0                                 | \$ 0                                      | \$ 0                           |
| 94   | 352.1      | Collection Sewers-Forced            | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 95   | 352.2      | Collecting Mains                    | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 96   | 352.2      | Collecting Mains Other              | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 97   | 353.0      | Service to Customers                | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 98   | 363.0      | Electric Pumping Equipment          | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 99   | 370.1      | Land & Land Rights                  | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 100  | 372        | T&D Equipment                       | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 101  | 372.0      | T&D Equipment Influent Lift         | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 102  | 374        | Outfall Sewer Lines                 | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 103  |            | Total Sewer Plant                   | \$ 0                                     |                      | \$ 0                                 | \$ 0                                      | \$ 0                           |
| 104  |            | General Plant                       |  |                      |                                      |   |                                |
| 105  | 389        | Land & Land Rights                  | \$ 0                                     | 0.00%                | \$ 0                                 | \$ 0                                      | \$ 0                           |
| 106  | 390        | S&I-Store, Shop & Garage            | 500                                      | 2.40%                | 12                                   | 0   | 12                             |
| 107  | 390.1      | S & I-Offices                       | 4,270                                    | 2.40%                | 102                                  | 0   | 102                            |
| 108  | 390.1      | S & I-Leasehold                     | 0  | 5.00%                | 0                                    | 0   | 0                              |

## Missouri-American Water Company

Case No. WR-2007-0216

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## Depreciation Expense

| Line | A/C    | Plant Title                      | District       | Depreciation | Brunswick |          | Corporate | Total District |
|------|--------|----------------------------------|----------------|--------------|-----------|----------|-----------|----------------|
|      | No.    |                                  | Specific Plant |              | Rate      | District |           |                |
|      | (A)    | (B)                              | (C)            | (D)          | (E)       | (F)      | (G)       |                |
| 109  | 390.1  | S & I-Leasehold - SCADA          | 0              | 5.00%        | 0         | 0        | 0         |                |
| 110  | 390.3  | S&I-Misc                         | 17,568         | 2.40%        | 422       | 0        | 422       |                |
| 111  | 391    | Office Furniture and Equipment   | 2,075          | 4.00%        | 83        | 166      | 249       |                |
| 112  | 391.2  | Computers & Peripheral Equipment | 750            | 14.29%       | 107       | 1,823    | 1,930     |                |
| 113  | 391.25 | Computer Software                | 0              | 14.29%       | 0         | 4,796    | 4,796     |                |
| 114  | 391.26 | Computer Software Personal       | 0              | 14.29%       | 0         | 93       | 93        |                |
| 115  | 391.3  | Data Handling Equipment          | 47,111         | 6.67%        | 3,142     | 0        | 3,142     |                |
| 116  | 391.3  | Other Office Equipment           | 3,048          | 6.67%        | 203       | 5        | 209       |                |
| 117  | 392.11 | Trans Equipment-Lt Duty Trucks   | 34,091         | 0.00%        | 0         | 0        | 0         |                |
| 118  | 392.12 | Trans Equipment-Hvy Duty Trucks  | 0              | 8.33%        | 0         | 0        | 0         |                |
| 119  | 392.2  | Trans Equipment-Autos            | 0              | 0.00%        | 0         | 0        | 0         |                |
| 120  | 392.3  | Trans Equipment Other            | 0              | 0.00%        | 0         | 0        | 0         |                |
| 121  | 393    | Stores Equipment                 | 16,014         | 2.86%        | 458       | 0        | 458       |                |
| 122  | 394    | Tools, Shop & Garage Equipment   | 32,945         | 5.00%        | 1,647     | 5        | 1,652     |                |
| 123  | 394    | Tools, Shop & Garage Equip Other | 0              | 5.00%        | 0         | 0        | 0         |                |
| 124  | 395    | Laboratory Equipment             | 25,810         | 4.00%        | 1,032     | 0        | 1,032     |                |
| 125  | 395    | Laboratory Equipment Other       | 0              | 4.00%        | 0         | 0        | 0         |                |
| 126  | 396    | Power Operated Equipment         | 0              | 6.82%        | 0         | 0        | 0         |                |
| 127  | 397    | Comm Equipment-Non-Tele          | 0              | 5.00%        | 0         | 1        | 1         |                |
| 128  | 397.2  | Comm Equipment-Tele              | 0              | 6.67%        | 0         | 13       | 13        |                |
| 129  | 398    | Miscellaneous                    | 141,291        | 5.00%        | 7,065     | 3        | 7,068     |                |
| 130  | 399    | Other Tangible Property          | 24,548         | 5.00%        | 1,227     | 0        | 1,227     |                |
| 131  |        | Total General Plant              | \$ 350,021     |              | \$ 15,501 | \$ 6,905 | \$ 22,407 |                |
| 132  |        | Total Depreciation Expense       | \$ 2,480,794   |              | \$ 58,321 | \$ 6,905 | \$ 65,226 |                |

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**Cash Working Capital**

|      |  |                                       |                       |                       |                                  |                          | Brunswick  |  |
|------|--|---------------------------------------|-----------------------|-----------------------|----------------------------------|--------------------------|--|--|
| Line | Description<br>(A)   | Adjusted Test<br>Year Expenses<br>(B) | Revenue<br>Lag<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(E)<br>(C)-(D) | Factor<br>(F)<br>(D)/(E) | Cash Working<br>Capital<br>Requirement<br>(G)<br>(B)*(F) |  |
|      |  |                                       |                       |                       |                                  |                          |  |  |
| 1    | Operation & Maintenance Expense  |                                       |                       |                       |                                  |                          |  |  |
| 2    | Base Payroll   | \$ 63,398                             | 36.78                 | 13.00                 | 23.78                            | 0.0652                   | \$ 4,134   |  |
| 3    | Payroll Withholdings:  |                                       |                       |                       |                                  |                          |  |  |
| 4    | FICA - Employee Portion  | 8,616                                 | 36.78                 | 16.19                 | 20.59                            | 0.0564                   | 486  |  |
| 5    | Federal Income Taxes Withheld  | 20,792                                | 36.78                 | 16.19                 | 20.59                            | 0.0564                   | 1,173  |  |
| 6    | State Income Taxes Withheld  | 6,748                                 | 36.78                 | 18.19                 | 18.59                            | 0.0509                   | 343  |  |
| 7    | 401(k)   | 12,086                                | 36.78                 | 38.82                 | (2.04)                           | (0.0056)                 | (68)   |  |
| 8    | EIP  | 935                                   | 36.78                 | 38.82                 | (2.04)                           | (0.0056)                 | (5)  |  |
| 9    | Fuel & Power   | 8,072                                 | 36.78                 | 37.20                 | (0.42)                           | (0.0012)                 | (10)   |  |
| 10   | Chemicals  | 4,422                                 | 36.78                 | 36.78                 | 0.00                             | 0.0000                   | 0  |  |
| 11   | Materials and Supplies   | 4,673                                 | 36.78                 | 36.78                 | 0.00                             | 0.0000                   | 0  |  |
| 12   | Purchased Water  | 0                                     | 36.78                 | 42.45                 | (5.67)                           | (0.0155)                 | 0  |  |
| 13   | Management Fees  | 145,733                               | 36.78                 | 21.41                 | 15.37                            | 0.0421                   | 6,135  |  |
| 14   | Group Insurance  | 31,591                                | 36.78                 | (7.50)                | 44.28                            | 0.1213                   | 3,832  |  |
| 15   | OPEB's   | 5,657                                 | 36.78                 | 3.41                  | 33.37                            | 0.0914                   | 517  |  |
| 16   | Pensions   | 16,999                                | 36.78                 | 17.58                 | 19.20                            | 0.0526                   | 894  |  |
| 17   | EIP - Employer Match   | (222)                                 | 36.78                 | 38.82                 | (2.04)                           | (0.0056)                 | 1  |  |
| 18   | 401(k) - Employer Match  | 4,151                                 | 36.78                 | 38.82                 | (2.04)                           | (0.0056)                 | (23)   |  |
| 19   | Insurance Other Than Group   | 21,207                                | 36.78                 | 42.44                 | (5.66)                           | (0.0155)                 | (329)  |  |
| 20   | Uncollectible Accounts   | 2,234                                 | 36.78                 | 36.78                 | 0.00                             | 0.0000                   | 0  |  |
| 21   | Rents  | 2,353                                 | 36.78                 | (9.96)                | 46.74                            | 0.1281                   | 301  |  |
| 22   | Cash Vouchers  | 88,975                                | 36.78                 | 21.41                 | 15.37                            | 0.0421                   | 3,746  |  |
| 23   | Total Operation & Maintenance Expense                                  | \$ 448,417                            |                       |                       |                                  |                          | \$ 21,127  |  |
| 24   | Taxes Other Than Income  |                                       |                       |                       |                                  |                          |  |  |
| 25   | FICA - Employer Portion  | \$ 8,616                              | 36.78                 | 16.19                 | 20.59                            | 0.0564                   | \$ 486   |  |
| 26   | Federal Unemployment   | 115                                   | 36.78                 | 76.38                 | (39.60)                          | (0.1085)                 | (12)   |  |
| 27   | State Unemployment   | 296                                   | 36.78                 | 76.38                 | (39.60)                          | (0.1085)                 | (32)   |  |
| 28   | Property Taxes   | 21,408                                | 36.78                 | 182.50                | (145.72)                         | (0.3992)                 | (8,546)  |  |
| 29   | Franchise Tax  | 566                                   | 36.78                 | (77.50)               | 114.28                           | 0.3131                   | 177  |  |
| 30   | PSC Assessment   | 887                                   | 36.78                 | (31.63)               | 68.41                            | 0.1874                   | 166  |  |
| 31   | Total Taxes Other Than Income  | \$ 31,887                             |                       |                       |                                  |                          | \$ (7,761)   |  |
| 32   | Other Expenses   |                                       |                       |                       |                                  |                          |  |  |
| 33   | Gross Receipts Tax   | 6,801                                 | 20.35                 | 47.37                 | (27.02)                          | (0.0740)                 | (503)  |  |
| 34   | Sales Tax  | 784                                   | 0.00                  | 8.12                  | (8.12)                           | (0.0222)                 | (17)   |  |
| 35   | Missouri Primacy Fees  | 1,660                                 | 20.35                 | 243.50                | (223.15)                         | (0.6114)                 | (1,015)  |  |
| 36   | Total Other Expenses   | \$ 9,246                              |                       |                       |                                  |                          | \$ (1,535)   |  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |                                       |                       |                       |                                  |                          | <b>\$ 11,831</b>   |  |
| 38   | Interest Expense   | \$ 42,177                             | 36.78                 | 108.85                | (72.07)                          | (0.1975)                 | \$ (8,330)   |  |
| 39   | Federal Income Tax   | \$ 41,831                             | 36.78                 | 37.00                 | (0.22)                           | (0.0006)                 | \$ (25)  |  |
| 40   | State Income Tax   | \$ 6,574                              | 36.78                 | 58.95                 | (22.17)                          | (0.0607)                 | \$ (399)   |  |

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**Income Statement**

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Brunswick<br>Adjustment<br>(C) (D) |      | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>[(B)+(C)+(E)]<br>(F) |
|------|--------------------------------|--|------------------------------------|------|--|--|
|      |                                |  | Amount                             | No.  |  |  |
| 1    | Operating Revenues:            |  |                                    |      |  |  |
| 2    | Residential Revenue            | \$ 101,255                             | \$ (1,376)                         | S-1  | \$ 0   | \$ 99,879  |
| 3    | Commercial Revenue             | 22,672                                 | 2,141                              | S-2  | 0  | 24,813   |
| 4    | Industrial Revenue             | 542                                    | (19)                               | S-3  | 0  | 523  |
| 5    | Private Fire                   | 4,764                                  | 0                                  | S-4  | 0  | 4,764  |
| 6    | Public Fire                    | 0                                      | 0                                  | S-5  | 0  | 0  |
| 7    | Public Authorities             | 3,743                                  | (61)                               | S-6  | 0  | 3,682  |
| 8    | Sales For Resale               | 53,418                                 | (53,417)                           | S-7  | 0  | 1  |
| 9    | Other Revenue                  | 0                                      | 0                                  | S-8  | 210  | 210  |
| 10   | Total Revenues                 | \$ 186,394                             | \$ (52,732)                        |      | \$ 210                                       | \$ 133,872                                       |
| 11   | Operating Expenses:            |  |                                    |      |  |  |
| 12   | Operation & Maintenance:       |  |                                    |      |  |  |
| 13   | Source of Supply               | 12,691                                 | (740)                              | S-9  | 1  | 11,951   |
| 14   | Pumping                        | 10,733                                 | (6,532)                            | S-10 | (168)  | 4,033  |
| 15   | Water Treatment                | 113,385                                | (17,862)                           | S-11 | 1  | 95,524   |
| 16   | Transmission & Distribution    | 17,968                                 | (1,798)                            | S-12 | 0  | 16,170   |
| 17   | Customer Accounts              | 5,678                                  | (1,589)                            | S-13 | 4,854  | 8,944  |
| 18   | Administrative & General       | 47,215                                 | 57,643                             | S-14 | 206,936                                      | 311,795  |
| 19   | Total O & M Expense            | \$ 207,670                             | \$ 29,123                          |      | \$ 211,624                                   | \$ 448,417                                       |
| 20   | Other Operating Expenses:      |  |                                    |      |  |  |
| 21   | Depreciation - Plant           | 44,558                                 | 10,392                             | S-15 | 6,905  | 61,855   |
| 22   | Amortization                   | 0                                      | 0                                  | S-16 | 720  | 720  |
| 23   | Taxes Other Than Income        | 25,534                                 | 4,488                              | S-17 | 1,865  | 31,887   |
| 24   | Total Other Operating Expense  | \$ 70,092                              | \$ 14,880                          |      | \$ 9,490                                     | \$ 94,462  |
| 25   | Total Operating Expenses       | 277,762                                | 44,003                             |      | 221,114                                      | 542,879  |
| 26   | Net Income Before Income Taxes | \$ (91,368)                            | \$ (96,735)                        |      | \$ (220,904)                                 | \$ (409,007)                                     |
| 27   | Income Taxes:                  |  |                                    |      |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ (99,044)                        | S-18 | \$ (60,227)                                  | \$ (159,271)                                     |
| 29   | Deferred Income Tax:           |  |                                    |      |  |  |
| 30   | Deferred Income Tax Expense    | 0                                      | 33,190                             | S-19 | (47,047)                                     | (13,857)   |
| 31   | ITC Amortization               | 0                                      | 0                                  | S-20 | 0  | 0  |
| 32   | Total Income Taxes             | \$ 0                                   | \$ (65,853)                        |      | \$ (107,274)                                 | \$ (173,128)                                     |
| 33   | Net Operating Income           | \$ (91,368)                            | \$ (30,881)                        |      | \$ (113,630)                                 | \$ (235,879)                                     |

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**Adjustments To Income Statement**

|                                |   | Brunswick            |                     |
|--------------------------------|---|----------------------|---------------------|
| Adjmt<br>No.                   | Description   | Adjustment<br>Amount | Total<br>Adjustment |
| <b>Residential Revenue S-1</b> |   |                      | \$ (1,376)          |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ (1,088)           |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | (288)                |                     |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Commercial Revenue S-2</b>  |   |                      | \$ 2,141            |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 2,134             |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 7                    |                     |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Industrial Revenue S-3</b>  |   |                      | \$ (19)             |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0                 |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | (19)                 |                     |
| <b>Private Fire S-4</b>        |   |                      | \$ 0                |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| <b>Public Fire S-5</b>         |   | 0                    | \$ 0                |
| 1                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Public Authorities S-6</b>  |   |                      | \$ (61)             |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | (61)                 |                     |
| 2                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Sales For Resale S-7</b>    |   |                      | \$ (53,417)         |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ (54,852)          |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 1,435                |                     |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Other Revenue S-8</b>       |   |                      | \$ 0                |
| 1                              | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                    |                     |
| <b>Source of Supply S-9</b>    |   |                      | \$ (740)            |
| 1                              | To Annualize Payroll (Hanneken)                                     | \$ (788)             |                     |
| 2                              | To Normalize Overtime Pay (Hanneken)                                | 48                   |                     |

## Missouri-American Water Company

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## Adjustments To Income Statement

| Adjmt<br>No.                                | Description   | Brunswick            |                     |
|---|---|----------------------|---------------------|
|   |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 0                    |                     |
| <b>Pumping S-10</b>                         |   |                      | <b>\$ (6,532)</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (569)             |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 34                   |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | (5,997)              |                     |
| <b>Water Treatment S-11</b>                 |   |                      | <b>\$ (17,862)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (12,801)          |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 774                  |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 0                    |                     |
| 6   | To Annualize Chemicals Expense (Grissum)                          | (5,835)              |                     |
| <b>Transmission &amp; Distribution S-12</b> |   |                      | <b>\$ (1,798)</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (1,913)           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 116                  |                     |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                    |                     |
| <b>Customer Accounts S-13</b>               |   |                      | <b>\$ (1,589)</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (403)             |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 24                   |                     |
| 3   | To Annualize Postage Expense (Grissum)                            | (920)                |                     |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (290)                |                     |
| <b>Administrative &amp; General S-14</b>    |   |                      | <b>\$ 57,643</b>    |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (2,847)           |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 172                  |                     |



Missouri-American Water Company  
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**Adjustments To Income Statement**

| Adjmt<br>No                 | Description   | Brunswick            |                     |
|-----------------------------|---|----------------------|---------------------|
|                             |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                           | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                           | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | 74                   |                     |
| 5                           | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                           | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                           | To Annualize Insurance Other Than Group (Hagemeyer)                 | 513                  |                     |
| 8                           | To Annualize Other Post Employment Benefits (Hagemeyer)             | 461                  |                     |
| 9                           | To Annualize Tank Painting Expense (Hagemeyer)                      | 20,040               |                     |
| 10                          | To Annualize Pension Expense (Hagemeyer)                            | 1,083                |                     |
| 11                          | To Annualize Transportation Leases (Hagemeyer)                      | 5,934                |                     |
| 12                          | To Annualize Waste Disposal Expense (Hagemeyer)                     | 0                    |                     |
| 13                          | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                          | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                          | To Remove Meals, Awards, etc. (Began)                               | 0                    |                     |
| 16                          | To Remove Miscellaneous Expense (Began)                             | 0                    |                     |
| 17                          | To Remove Dues and Donations (Began)                                | (338)                |                     |
| 18                          | To Remove Disallowed Promotion Expense (Began)                      | 0                    |                     |
| 19                          | To Remove Disallowed Advertising Expense (Began)                    | 0                    |                     |
| 20                          | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                          | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                          | To Annualize Payroll Tax Expense (Hanneken)                         | 34,218               |                     |
| 23                          | To Annualize Incentive Compensation Expense (Hanneken)              | (1,667)              |                     |
| 24                          | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                          | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                          | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                          | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                          | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant</b> |   |                      |                     |
|                             | S-15  |                      | \$ 10,392           |
| 1                           | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 13,763            |                     |

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**Adjustments To Income Statement**

| Adjmt<br>No.                            | Description  | Brunswick            |                     |
|---|--|----------------------|---------------------|
|   |  | Adjustment<br>Amount | Total<br>Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (3,371)              |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | 0                    |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 2,374             | \$ 4,488            |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (128)                |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | 2,242                |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy)  | \$ (99,044)          | \$ (99,044)         |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ 33,190            | \$ 33,190           |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| 2                                       |  | 0                    |                     |

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**Income Tax Calculation**

Brunswick

| Line | Description<br>(A)                             | Test Year<br>(B)    | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
|------|--|---------------------|------------------------|------------------------|------------------------|
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ (235,879)        | \$ 97,427              | \$ 99,606              | \$ 101,785             |
| 2    | Add:   |                     |                        |                        |                        |
| 3    | Current Income Tax                             | (159,271)           | 48,405                 | 49,762                 | 51,120                 |
| 4    | Deferred Income Taxes                          |                     |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | (13,857)            | (13,857)               | (13,857)               | (13,857)               |
| 6    | ITC Amortization                               | 0                   | 0                      | 0                      | 0                      |
| 7    | Net Income Before Income Tax                   | \$ (409,007)        | \$ 131,976             | \$ 135,512             | \$ 139,049             |
| 8    | Additions to Net Income Before Income Tax:     |                     |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 61,855           | \$ 61,855              | \$ 61,855              | \$ 61,855              |
| 10   | Contributions In Aid of Construction           | 0                   | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                   | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 197                 | 197                    | 197                    | 197                    |
| 13   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 62,052           | \$ 62,052              | \$ 62,052              | \$ 62,052              |
| 16   | Subtractions to Net Income Before Income Tax:  |                     |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 42,177           | \$ 42,177              | \$ 42,177              | \$ 42,177              |
| 18   | Tax Straight Line Depreciation                 | 61,855              | 61,855                 | 61,855                 | 61,855                 |
| 19   | Tax Depreciation in Excess of Straight Line    | (36,096)            | (36,096)               | (36,096)               | (36,096)               |
| 20   | Cost of Removal                                | 0                   | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 67,936           | \$ 67,936              | \$ 67,936              | \$ 67,936              |
| 24   | Net Taxable Income                             | \$ (414,891)        | \$ 126,092             | \$ 129,628             | \$ 133,165             |
| 25   | Provision for Federal Income Tax               |                     |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ (414,891)        | \$ 126,092             | \$ 129,628             | \$ 133,165             |
| 27   | Deduct Missouri Income Tax @ 100.00%           | (21,629)            | 6,574                  | 6,758                  | 6,942                  |
| 28   | Federal Taxable Income                         | \$ (393,262)        | \$ 119,518             | \$ 122,870             | \$ 126,223             |
| 29   | Federal Income Tax @ 35.00%                    | \$ (137,642)        | \$ 41,831              | \$ 43,005              | \$ 44,178              |
| 30   | Provision for Missouri Income Tax              |                     |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ (414,891)        | \$ 126,092             | \$ 129,628             | \$ 133,165             |
| 32   | Deduct Federal Income Tax @ 50.00%             | (68,821)            | 20,916                 | 21,502                 | 22,089                 |
| 33   | Missouri Taxable Income                        | \$ (346,070)        | \$ 105,176             | \$ 108,126             | \$ 111,076             |
| 34   | Missouri Income Tax @ 6.25%                    | \$ (21,629)         | \$ 6,574               | \$ 6,758               | \$ 6,942               |
| 35   | Summary of Provision For Income Tax            |                     |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ (137,642)        | \$ 41,831              | \$ 43,005              | \$ 44,178              |
| 37   | State Income Tax                               | (21,629)            | 6,574                  | 6,758                  | 6,942                  |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ (159,271)</b> | <b>\$ 48,405</b>       | <b>\$ 49,762</b>       | <b>\$ 51,120</b>       |

# **JEFFERSON CITY**

Missouri-American Water Company  
Case No. WR-2007-0216  
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Revenue Requirement

| Line | (A)  | Jefferson City                |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 12,326,934                 | \$ 12,326,934                 | \$ 12,326,934                 |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 771,666                    | \$ 788,924                    | \$ 806,181                    |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 346,588                       | 346,588                       | 346,588                       |
| 5    | Additional Net Operating Income Requirement                    | \$ 425,078                    | \$ 442,336                    | \$ 459,594                    |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 251,195                    | \$ 261,948                    | \$ 272,701                    |
| 8    | Test Year Current Income Tax                                   | (13,661)                      | (13,661)                      | (13,661)                      |
| 9    | Additional Current Income Tax Requirement                      | \$ 264,857                    | \$ 275,610                    | \$ 286,363                    |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 689,935                    | \$ 717,946                    | \$ 745,956                    |
| 11   | Allowance for True-up  | \$ 200,302                    | \$ 200,302                    | \$ 200,302                    |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 890,237</b>             | <b>\$ 918,248</b>             | <b>\$ 946,258</b>             |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 4,151,299                  | \$ 4,151,299                  | \$ 4,151,299                  |
| 14   | Total Gross Revenue Requirement                                | \$ 5,041,536                  | \$ 5,069,547                  | \$ 5,097,557                  |

Missouri-American Water Company  
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Rate Base

| Line | Description<br>(A)  | Jefferson City         |                                  |                      |
|------|---|------------------------|----------------------------------|----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)         |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 20,736,552          | \$ 327,379                       | \$ 21,063,931        |
| 2    | Less:   |                        |                                  | 0                    |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 4,762,667              | 102,282                          | 4,864,949            |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                    |
| 5    | Net Plant in Service  | \$ 15,973,885          | \$ 225,096                       | \$ 16,198,981        |
| 6    | Add:  |                        |                                  |                      |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ 22,258              | \$                               | \$ 22,258            |
| 8    | Materials and Supplies  | 177,087                | 787                              | 177,874              |
| 9    | Prepayments   |                        | 22,447                           | 22,447               |
| 10   | Deferred OPEB Asset   |                        | 0                                | 0                    |
| 11   | Other   |                        | 0                                | 0                    |
| 12   | Other   |                        | 0                                | 0                    |
| 13   | Other   |                        | 0                                | 0                    |
| 14   | Total Additions to Net Plant in Service                       | \$ 199,345             | \$ 23,234                        | \$ 222,579           |
| 15   | Deduct:   |                        |                                  |                      |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 64,474              | \$                               | \$ 64,474            |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (847)                  |                                  | (847)                |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 1,921                  |                                  | 1,921                |
| 19   | Contributions In Aid of Construction:                         | 2,228,531              | 0                                | 2,228,531            |
| 20   | Customer Advances   | 252,817                | (14)                             | 252,803              |
| 21   | Customer Deposits   |                        | 0                                | 0                    |
| 22   | Pre-71 ITC  |                        | 0                                | 0                    |
| 23   | Deferred Income Taxes   |                        | 1,221,171                        | 1,221,171            |
| 24   | Accrued Pension Liability                                     |                        | 326,574                          | 326,574              |
| 25   | Other   |                        | 0                                | 0                    |
| 26   | Other   |                        | 0                                | 0                    |
| 27   | Other   |                        | 0                                | 0                    |
| 28   | Total Deductions to Net Plant in Service                      | \$ 2,546,896           | \$ 1,547,731                     | \$ 4,094,627         |
| 29   | <b>Total Rate Base</b>  | <b>\$ 13,626,334</b>   | <b>\$ (1,299,400)</b>            | <b>\$ 12,326,934</b> |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Plant In Service

Jefferson City

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|---------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |         |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 1    |         | Intangible                       |                              |               |            |                                  |                                   |
| 2    | 301     | Organization                     | \$ 772                       | \$ 0          | P-1        | \$ 5,939                         | \$ 6,711                          |
| 3    | 302     | Franchise & Consents             |                              | 0             | P-2        | 0                                | 0                                 |
| 4    | 303     | Miscellaneous Intangible         |                              | 0             | P-3        | 9,298                            | 9,298                             |
| 5    |         | Total Intangible                 | \$ 772                       | \$ 0          |            | \$ 15,236                        | \$ 16,008                         |
| 6    |         | Source of Supply                 |                              |               |            |                                  |                                   |
| 7    | 310     | Land & Land Rights               | \$                           | \$ 0          | P-4        | \$ 0                             | \$ 0                              |
| 8    | 311     | Structures & Improvements        | 23,746                       | 0             | P-5        | 0                                | 23,746                            |
| 9    | 312     | Collecting & Impounding Res      |                              | 0             | P-6        | 0                                | 0                                 |
| 10   | 313     | Lake, River & Other Intakes      | 388,419                      | 0             | P-7        | 0                                | 388,419                           |
| 11   | 314     | Wells & Springs                  |                              | 0             | P-8        | 0                                | 0                                 |
| 12   | 315     | Infiltration Galleries & Tunnels |                              | 0             | P-9        | 0                                | 0                                 |
| 13   | 316     | Supply Mains                     |                              | 0             | P-9        | 0                                | 0                                 |
| 14   | 316     | Supply Mains-North Plant         |                              | 0             | P-10       | 0                                | 0                                 |
| 15   | 316     | Supply Mains-Central Plant       |                              | 0             | P-11       | 0                                | 0                                 |
| 16   | 316     | Supply Mains-South Plant         |                              | 0             | P-12       | 0                                | 0                                 |
| 17   | 316     | Supply Mains-Meramec Plant       |                              | 0             | P-13       | 0                                | 0                                 |
| 18   | 317     | Other Source of Supply Plant     |                              | 0             | P-14       | 0                                | 0                                 |
| 19   |         | Total Source of Supply           | \$ 412,165                   | \$ 0          |            | \$ 0                             | \$ 412,165                        |
| 20   |         | Pumping                          |                              |               |            |                                  |                                   |
| 21   | 320     | Land & Land Rights               | \$ 944                       | \$ 0          | P-15       | \$ 0                             | \$ 944                            |
| 22   | 321     | S & I-Plant                      | 612,421                      | 0             | P-16       | 0                                | 612,421                           |
| 23   | 321.1   | S & I-Pumps (STL)                |                              | 0             | P-17       | 0                                | 0                                 |
| 24   | 321.2   | S & I-Boosters                   |                              | 0             | P-18       | 0                                | 0                                 |
| 25   | 322     | Boiler Equipment                 |                              | 0             | P-19       | 0                                | 0                                 |
| 26   | 323     | Other Power Prod. Equip.         |                              | 0             | P-20       | 0                                | 0                                 |
| 27   | 324     | Steam Pumping Equipment          |                              | 0             | P-21       | 0                                | 0                                 |
| 28   | 325.1   | Electric Pumping Equipment       | 1,499,638                    | 0             | P-22       | 0                                | 1,499,638                         |
| 29   | 325.2   | Pumping Equipment-Pre '46        |                              | 0             | P-23       | 0                                | 0                                 |
| 30   | 325.3   | Pumping Equipment-Post '46       |                              | 0             | P-24       | 0                                | 0                                 |
| 31   | 325     | Pumping Equipment-Booster        |                              | 0             | P-25       | 0                                | 0                                 |
| 32   | 326     | Diesel Pumping Equipment         |                              | 0             | P-26       | 0                                | 0                                 |
| 33   | 326     | Dsl Pump Equip-Stratman          |                              | 0             | P-27       | 0                                | 0                                 |
| 34   | 326     | Dsl Pump Equip-Central Plant     |                              | 0             | P-28       | 0                                | 0                                 |
| 35   | 327     | Pump Equip Hydraulic             |                              | 0             | P-29       | 0                                | 0                                 |
| 36   | 328     | Other Pumping Equipment          | 4,890                        | 0             | P-30       | 0                                | 4,890                             |
| 37   |         | Total Pumping                    | \$ 2,117,893                 | \$ 0          |            | \$ 0                             | \$ 2,117,893                      |
| 38   |         | Water Treatment Plant            |                              |               |            |                                  |                                   |
| 39   | 330     | Land & Land Rights               | \$ 50,762                    | \$ 0          | P-31       | \$ 0                             | \$ 50,762                         |
| 40   | 331     | Structures & Improvements        | 2,216,231                    | 0             | P-32       | 0                                | 2,216,231                         |
| 41   | 331     | S & I - North Plant              |                              | 0             | P-33       | 0                                | 0                                 |
| 42   | 331     | S & I-Central 1 & 2              |                              | 0             | P-34       | 0                                | 0                                 |
| 43   | 331     | S & I-Central 3                  |                              | 0             | P-35       | 0                                | 0                                 |
| 44   | 331     | S & I-South Plant                |                              | 0             | P-36       | 0                                | 0                                 |
| 45   | 331     | S & I-Meramec                    |                              | 0             | P-37       | 0                                | 0                                 |
| 46   | 332     | WT Equip Non-Media               | 2,962,710                    | 0             | P-38       | 0                                | 2,962,710                         |
| 47   | 332     | WT Equip-North Plant             |                              | 0             | P-39       | 0                                | 0                                 |

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Plant In Service

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Jefferson City<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(E)<br>(G) |
|------|-------------------|-------------------------------------|------------------------------|-------------------------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                     |                              | Amount<br>(D)                 | No.<br>(E) |                                  |                                   |
| 48   | 332               | WT Equip-Central 1 & 2              |                              | 0                             | P-40       | 0                                | 0                                 |
| 49   | 332               | WT Equip-Central 3                  |                              | 0                             | P-41       | 0                                | 0                                 |
| 50   | 332               | WT Equip-South Plant                |                              | 0                             | P-42       | 0                                | 0                                 |
| 51   | 332               | WT Equip-Meramac                    |                              | 0                             | P-43       | 0                                | 0                                 |
| 52   | 332               | Other P/E Hand Equipment            |                              | 0                             | P-44       | 0                                | 0                                 |
| 53   | 332.4             | Equipment Filter Media              |                              | 0                             | P-45       | 0                                | 0                                 |
| 54   |                   | Total Water Treatment Plant         | \$ 5,229,703                 | \$ 0                          |            | \$ 0                             | \$ 5,229,703                      |
| 55   |                   | Transmission & Distribution         |                              |                               |            |                                  |                                   |
| 56   | 340               | Land & Land Rights                  | \$ 45,514                    | \$ 0                          | P-46       | \$ 0                             | \$ 45,514                         |
| 57   | 341               | Structures & Improvements           | 47,953                       | 0                             | P-47       | 0                                | 47,953                            |
| 58   | 341.63            | S & I-Spec Cross                    |                              | 0                             | P-48       | 0                                | 0                                 |
| 59   | 342               | Distr. Res. & Standpipes            | 43,968                       | 0                             | P-49       | 0                                | 43,968                            |
| 60   | 342               | Rsvr & Standpipe-Elev               | 355                          | 0                             | P-50       | 0                                | 355                               |
| 61   | 342               | Rsvr & Standpipe-Ground             | 989,901                      | 0                             | P-51       | 0                                | 989,901                           |
| 62   | 343               | T & D Mains (Not Classified)        | 6,061,578                    | 0                             | P-52       | 0                                | 6,061,578                         |
| 63   | 343.1             | T & D Mains - 4" & Less             | 39,863                       | 0                             | P-53       | 0                                | 39,863                            |
| 64   | 343.1             | T & D Mains AC 4 (STL)              |                              | 0                             | P-54       | 0                                | 0                                 |
| 65   | 343.1             | T & D Mains Galv 1 (STL)            |                              | 0                             | P-55       | 0                                | 0                                 |
| 66   | 343.2             | T & D Mains - 6" to 8"              | 900,363                      | 0                             | P-56       | 0                                | 900,363                           |
| 67   | 343.2             | CI-10" & Smaller-1900-1928          |                              | 0                             | P-57       | 0                                | 0                                 |
| 68   | 343.2             | CI-10" & Smaller 1929-1956          |                              | 0                             | P-58       | 0                                | 0                                 |
| 69   | 343.2             | CI-10" & Smaller-1957-1993          |                              | 0                             | P-59       | 0                                | 0                                 |
| 70   | 343.2             | T & D Mains - DI 6-8 (STL)          |                              | 0                             | P-60       | 0                                | 0                                 |
| 71   | 343.2             | T & D Mains - DI 6-10" (TN)         |                              | 0                             | P-61       | 0                                | 0                                 |
| 72   | 343.2             | T & D Mains - PL 6-8" (STL)         |                              | 0                             | P-62       | 0                                | 0                                 |
| 73   | 343.3             | T & D Mains - 10" to 16"            | 1,124,661                    | 0                             | P-63       | 0                                | 1,124,661                         |
| 74   | 343.3             | T & D Mains - 18" & Greater         |                              | 0                             | P-64       | 0                                | 0                                 |
| 75   | 343.3             | CI-12" (STL)                        |                              | 0                             | P-65       | 0                                | 0                                 |
| 76   | 343.3             | CI-16" (STL)                        |                              | 0                             | P-66       | 0                                | 0                                 |
| 77   | 343.3             | T & D Mains - DI 12 (STL)           |                              | 0                             | P-66       | 0                                | 0                                 |
| 78   | 343.3             | T & D Mains - DI 16 & Greater (STL) |                              | 0                             | P-67       | 0                                | 0                                 |
| 79   | 343.3             | T & D Mains - LJ 20 (STL)           |                              | 0                             | P-68       | 0                                | 0                                 |
| 80   | 343.3             | T & D Mains - PL 12 (STL)           |                              | 0                             | P-69       | 0                                | 0                                 |
| 81   | 344               | Fire Mains                          |                              | 0                             | P-70       | 0                                | 0                                 |
| 82   | 345               | Services                            | 358,398                      | 0                             | P-71       | 0                                | 358,398                           |
| 83   | 346.1             | Meters-Bronze Case                  | 2,792                        | 0                             | P-72       | 0                                | 2,792                             |
| 84   | 346.2             | Meters-Plastic Case                 |                              | 0                             | P-73       | 0                                | 0                                 |
| 85   | 346.3             | Meters-Other                        | 787,582                      | 0                             | P-74       | 0                                | 787,582                           |
| 86   | 346.3             | Meters-Remote (ARB's)               |                              | 0                             | P-75       | 0                                | 0                                 |
| 87   | 347.1             | Meter Install                       | 311,286                      | 0                             | P-76       | 0                                | 311,286                           |
| 88   | 347.2             | Meter Install-Other                 |                              | 0                             | P-77       | 0                                | 0                                 |
| 89   | 348               | Hydrants                            | 1,004,470                    | 0                             | P-78       | 0                                | 1,004,470                         |
| 90   | 349               | Other T&D Plant                     |                              | 0                             | P-79       | 0                                | 0                                 |
| 91   |                   | Total Transmission & Distribution   | \$ 11,718,684                | \$ 0                          |            | \$ 0                             | \$ 11,718,684                     |



## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Plant In Service

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)               | Balance<br>12/31/2006<br>(C) | Jefferson City<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-------------------|----------------------------------|------------------------------|-------------------------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                  |                              | Amount<br>(D)                 | No.<br>(E) |                                  |                                   |
| 92   |                   | Sewer Plant                      |                              |                               |            |                                  |                                   |
| 93   | 351               | Structures & Improvements        | \$                           | \$                            | 0          | P-80                             | \$ 0                              |
| 94   | 352.1             | Collection Sewers Forced         |                              |                               | 0          | P-81                             | 0                                 |
| 95   | 352.2             | Collecting Mains                 |                              |                               | 0          | P-82                             | 0                                 |
| 96   | 352.2             | Collecting Mains Other           |                              |                               | 0          | P-83                             | 0                                 |
| 97   | 353               | Service to Customers             |                              |                               | 0          | P-84                             | 0                                 |
| 98   | 363               | Electric Pumping Equipment       |                              |                               | 0          | P-85                             | 0                                 |
| 99   | 370.1             | Land & Land Rights               |                              |                               | 0          | P-86                             | 0                                 |
| 100  | 372               | T&D Equipment                    |                              |                               | 0          | P-87                             | 0                                 |
| 101  | 372               | T&D Equipment Influent Lift      |                              |                               | 0          | P-88                             | 0                                 |
| 102  | 374               | Outfall Sewer Lines              |                              |                               | 0          | P-89                             | 0                                 |
| 103  |                   | Total Sewer Plant                | \$ 0                         | \$ 0                          |            |                                  | \$ 0                              |
| 104  |                   | General Plant                    |                              |                               |            |                                  |                                   |
| 105  | 389               | Land & Land Rights               | \$ 7,181                     | \$ 0                          | P-90       | \$ 0                             | \$ 7,181                          |
| 106  | 390               | S&I-Store, Shop & Garage         |                              | 0                             | P-91       | 0                                | 0                                 |
| 107  | 390.1             | S & I-Offices                    | 232,303                      | 0                             | P-92       | 0                                | 232,303                           |
| 108  | 390.1             | S & I-Leasehold                  |                              | 0                             | P-93       | 0                                | 0                                 |
| 109  | 390.1             | S & I-Leasehold - SCADA          |                              | 0                             | P-94       | 0                                | 0                                 |
| 110  | 390.3             | S&I-Misc                         |                              | 0                             | P-95       | 0                                | 0                                 |
| 111  | 391               | Office Furniture and Equipment   | 31,964                       | 0                             | P-96       | 24,689                           | 56,653                            |
| 112  | 391.2             | Computers & Peripheral Equipment | 241,751                      | 0                             | P-97       | 75,687                           | 317,438                           |
| 113  | 391.25            | Computer Software                |                              | 0                             | P-98       | 199,093                          | 199,093                           |
| 114  | 391.26            | Computer Software Personal       |                              | 0                             | P-99       | 3,861                            | 3,861                             |
| 115  | 391.3             | Data Handling Equipment          |                              | 0                             | P-100      | 0                                | 0                                 |
| 116  | 391.3             | Other Office Equipment           |                              | 0                             | P-101      | 465                              | 465                               |
| 117  | 392.11            | Trans Equipment-Lt Duty Trucks   | 76,771                       | 0                             | P-102      | 1,327                            | 78,098                            |
| 118  | 392.12            | Trans Equipment-Hvy Duty Trucks  |                              | 0                             | P-103      | 0                                | 0                                 |
| 119  | 392.2             | Trans Equipment-Autos            | 20,483                       | 0                             | P-104      | 4,904                            | 25,387                            |
| 120  | 392.3             | Trans Equipment Other            |                              | 0                             | P-105      | 0                                | 0                                 |
| 121  | 393               | Stores Equipment                 | 1,524                        | 0                             | P-106      | 0                                | 1,524                             |
| 122  | 394               | Tools, Shop & Garage Equipment   | 168,845                      | 0                             | P-107      | 542                              | 169,387                           |
| 123  | 394               | Tools, Shop & Garage Equip Other |                              | 0                             | P-108      | 0                                | 0                                 |
| 124  | 395               | Laboratory Equipment             | 47,644                       | 0                             | P-109      | 0                                | 47,644                            |
| 125  | 395               | Laboratory Equipment Other       |                              | 0                             | P-110      | 0                                | 0                                 |
| 126  | 396               | Power Operated Equipment         | 108,875                      | 0                             | P-111      | 0                                | 108,875                           |
| 127  | 397               | Comm Equipment-Non-Tele          | 61,783                       | 0                             | P-112      | 74                               | 61,857                            |
| 128  | 397.2             | Comm Equipment-Tele              |                              | 0                             | P-113      | 1,146                            | 1,146                             |
| 129  | 398               | Miscellaneous                    | 258,211                      | 0                             | P-114      | 355                              | 258,566                           |
| 130  | 399               | Other Tangible Property          |                              | 0                             | P-115      | 0                                | 0                                 |
| 131  |                   | Total General Plant              | \$ 1,257,335                 | \$ 0                          |            | \$ 312,142                       | \$ 1,569,477                      |
| 132  |                   | Total Plant In Service           | \$ 20,736,552                | \$ 0                          |            | \$ 327,379                       | \$ 21,063,931                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Plant In Service**

Jefferson City

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

### Depreciation Reserve

Jefferson City

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|---------|----------------------------------|-----------------------|-------------|------|---------------------------|----------------------------|
|      |         |                                  |                       | Amount      | No.  |                           |                            |
|      | (A)     | (B)                              | (C)                   | (D)         | (E)  | (F)                       | (G)                        |
| 1    |         | Intangible                       |                       |             |      |                           |                            |
| 2    | 301     | Organization                     | \$                    | \$ 0        | R-1  | \$ 0                      | \$ 0                       |
| 3    | 302     | Franchise & Consents             |                       | 0           | R-2  | 0                         | 0                          |
| 4    | 303     | Miscellaneous Intangible         |                       | 0           | R-3  | 11,157                    | 11,157                     |
| 5    |         | Total Intangible                 | \$ 0                  | \$ 0        |      | \$ 11,157                 | \$ 11,157                  |
| 6    |         | Source of Supply                 |                       |             |      |                           |                            |
| 7    | 310     | Land & Land Rights               | \$                    | \$ 0        | R-4  | \$ 0                      | \$ 0                       |
| 8    | 311     | Structures & Improvements        | 2,774                 | 0           | R-5  | 0                         | 2,774                      |
| 9    | 312     | Collecting & Impounding Res      |                       | 0           | R-6  | 0                         | 0                          |
| 10   | 313     | Lake, River & Other Intakes      | 48,342                | 0           | R-7  | 0                         | 48,342                     |
| 11   | 314     | Wells & Springs                  |                       | 0           | R-8  | 0                         | 0                          |
| 12   | 315     | Infiltration Galleries & Tunnels |                       | 0           | R-9  | 0                         | 0                          |
| 13   | 316     | Supply Mains                     |                       | 0           | R-9  | 0                         | 0                          |
| 14   | 316     | Supply Mains-North Plant         |                       | 0           | R-10 | 0                         | 0                          |
| 15   | 316     | Supply Mains-Central Plant       |                       | 0           | R-11 | 0                         | 0                          |
| 16   | 316     | Supply Mains-South Plant         |                       | 0           | R-12 | 0                         | 0                          |
| 17   | 316     | Supply Mains-Meramec Plant       |                       | 0           | R-13 | 0                         | 0                          |
| 18   | 317     | Other Source of Supply Plant     |                       | 0           | R-14 | 0                         | 0                          |
| 19   |         | Total Source of Supply           | \$ 51,116             | \$ 0        |      | \$ 0                      | \$ 51,116                  |
| 20   |         | Pumping                          |                       |             |      |                           |                            |
| 21   | 320     | Land & Land Rights               | \$                    | \$ 0        | R-15 | \$ 0                      | \$ 0                       |
| 22   | 321     | S & I-Plant                      | 74,293                | 0           | R-16 | 0                         | 74,293                     |
| 23   | 321.1   | S & I-Pumps (STL)                |                       | 0           | R-17 | 0                         | 0                          |
| 24   | 321.2   | S & I-Boosters                   |                       | 0           | R-18 | 0                         | 0                          |
| 25   | 322     | Boiler Equipment                 |                       | 0           | R-19 | 0                         | 0                          |
| 26   | 323     | Other Power Prod. Equip.         |                       | 0           | R-20 | 0                         | 0                          |
| 27   | 324     | Steam Pumping Equipment          |                       | 0           | R-21 | 0                         | 0                          |
| 28   | 325.1   | Electric Pumping Equipment       | 339,086               | 0           | R-22 | 0                         | 339,086                    |
| 29   | 325.2   | Pumping Equipment-Pre '46        |                       | 0           | R-23 | 0                         | 0                          |
| 30   | 325.3   | Pumping Equipment-Post '46       |                       | 0           | R-24 | 0                         | 0                          |
| 31   | 325     | Pumping Equipment-Booster        |                       | 0           | R-25 | 0                         | 0                          |
| 32   | 326     | Diesel Pumping Equipment         |                       | 0           | R-26 | 0                         | 0                          |
| 33   | 326     | Dsl Pump Equip-Stratman          |                       | 0           | R-27 | 0                         | 0                          |
| 34   | 326     | Dsl Pump Equip-Central Plant     |                       | 0           | R-28 | 0                         | 0                          |
| 35   | 327     | Pump Equip Hydraulic             |                       | 0           | R-29 | 0                         | 0                          |
| 36   | 328     | Other Pumping Equipment          |                       | 0           | R-30 | 0                         | 0                          |
| 37   |         | Total Pumping                    | \$ 413,379            | \$ 0        |      | \$ 0                      | \$ 413,379                 |
| 38   |         | Water Treatment Plant            |                       |             |      |                           |                            |
| 39   | 330     | Land & Land Rights               | \$                    | \$ 0        | R-31 | \$ 0                      | \$ 0                       |
| 40   | 331     | Structures & Improvements        | 367,787               | 0           | R-32 | 0                         | 367,787                    |
| 41   | 331     | S & I - North Plant              |                       | 0           | R-33 | 0                         | 0                          |
| 42   | 331     | S & I-Central 1 & 2              |                       | 0           | R-34 | 0                         | 0                          |
| 43   | 331     | S & I-Central 3                  |                       | 0           | R-35 | 0                         | 0                          |
| 44   | 331     | S & I-South Plant                |                       | 0           | R-36 | 0                         | 0                          |
| 45   | 331     | S & I-Meramec                    |                       | 0           | R-37 | 0                         | 0                          |
| 46   | 332     | WT Equip Non-Media               | 1,219,203             | 0           | R-38 | 0                         | 1,219,203                  |
| 47   | 332     | WT Equip-North Plant             |                       | 0           | R-39 | 0                         | 0                          |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Reserve

## Jefferson City

| Line | A/C No. | Plant Title                         | Balance<br>12/31/2006 | Adjustments |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|---------|-------------------------------------|-----------------------|-------------|------|---------------------------|----------------------------|
|      |         |                                     |                       | Amount      | No.  |                           |                            |
|      | (A)     | (B)                                 | (C)                   | (D)         | (E)  | (F)                       | (G)                        |
| 48   | 332     | WT Equip-Central 1 & 2              |                       | 0           | R-40 | 0                         | 0                          |
| 49   | 332     | WT Equip-Central 3                  |                       | 0           | R-41 | 0                         | 0                          |
| 50   | 332     | WT Equip-South Plant                |                       | 0           | R-42 | 0                         | 0                          |
| 51   | 332     | WT Equip-Meramac                    |                       | 0           | R-43 | 0                         | 0                          |
| 52   | 332     | Other P/E Hand Equipment            |                       | 0           | R-44 | 0                         | 0                          |
| 53   | 332.4   | Equipment Filter Media              | 9,153                 | 0           | R-45 | 0                         | 9,153                      |
| 54   |         | Total Water Treatment Plant         | \$ 1,596,143          | \$ 0        |      | \$ 0                      | \$ 1,596,143               |
| 55   |         | Transmission & Distribution         |                       |             |      |                           |                            |
| 56   | 340     | Land & Land Rights                  | \$                    | \$ 0        | R-46 | \$ 0                      | \$ 0                       |
| 57   | 341     | Structures & Improvements           | 6,460                 | 0           | R-47 | 0                         | 6,460                      |
| 58   | 341.63  | S & I-Spec Cross                    |                       | 0           | R-48 | 0                         | 0                          |
| 59   | 342     | Distr. Res. & Standpipes            | 130                   | 0           | R-49 | 0                         | 130                        |
| 60   | 342     | Rsvr & Standpipe-Elev               | 1                     | 0           | R-50 | 0                         | 1                          |
| 61   | 342     | Rsvr & Standpipe-Ground             | 45,810                | 0           | R-51 | 0                         | 45,810                     |
| 62   | 343     | T & D Mains (Not Classified)        | 1,520,208             | 0           | R-52 | 0                         | 1,520,208                  |
| 63   | 343.1   | T & D Mains - 4" & Less             | 1,352                 | 0           | R-53 | 0                         | 1,352                      |
| 64   | 343.1   | T & D Mains AC 4 (STL)              |                       | 0           | R-54 | 0                         | 0                          |
| 65   | 343.1   | T & D Mains Galv 1 (STL)            |                       | 0           | R-55 | 0                         | 0                          |
| 66   | 343.2   | T & D Mains - 6" to 8"              | 17,638                | 0           | R-56 | 0                         | 17,638                     |
| 67   | 343.2   | CI-10" & Smaller-1900-1928          |                       | 0           | R-57 | 0                         | 0                          |
| 68   | 343.2   | CI-10" & Smaller 1929-1956          |                       | 0           | R-58 | 0                         | 0                          |
| 69   | 343.2   | CI-10" & Smaller-1957-1993          |                       | 0           | R-59 | 0                         | 0                          |
| 70   | 343.2   | T & D Mains - DI 6-8 (STL)          |                       | 0           | R-60 | 0                         | 0                          |
| 71   | 343.2   | T & D Mains - DI 6-10" (TN)         |                       | 0           | R-61 | 0                         | 0                          |
| 72   | 343.2   | T & D Mains - PL 6-8" (STL)         |                       | 0           | R-62 | 0                         | 0                          |
| 73   | 343.3   | T & D Mains - 10" to 16"            | 52,111                | 0           | R-63 | 0                         | 52,111                     |
| 74   | 343.3   | T & D Mains - 18" & Greater         |                       | 0           | R-64 | 0                         | 0                          |
| 75   | 343.3   | CI-12" (STL)                        |                       | 0           | R-65 | 0                         | 0                          |
| 76   | 343.3   | CI-16" (STL)                        |                       | 0           | R-66 | 0                         | 0                          |
| 77   | 343.3   | T & D Mains - DI 12 (STL)           |                       | 0           | R-66 | 0                         | 0                          |
| 78   | 343.3   | T & D Mains - DI 16 & Greater (STL) |                       | 0           | R-67 | 0                         | 0                          |
| 79   | 343.3   | T & D Mains - LJ 20 (STL)           |                       | 0           | R-68 | 0                         | 0                          |
| 80   | 343.3   | T & D Mains - PL 12 (STL)           |                       | 0           | R-69 | 0                         | 0                          |
| 81   | 344     | Fire Mains                          |                       | 0           | R-70 | 0                         | 0                          |
| 82   | 345     | Services                            | 26,654                | 0           | R-71 | 0                         | 26,654                     |
| 83   | 346.1   | Meters-Bronze Case                  | 7                     | 0           | R-72 | 0                         | 7                          |
| 84   | 346.2   | Meters-Plastic Case                 |                       | 0           | R-73 | 0                         | 0                          |
| 85   | 346.3   | Meters-Other                        | 136,413               | 0           | R-74 | 0                         | 136,413                    |
| 86   | 346.3   | Meters-Remote (ARB's)               |                       | 0           | R-75 | 0                         | 0                          |
| 87   | 347.1   | Meter Install                       | 5,737                 | 0           | R-76 | 0                         | 5,737                      |
| 88   | 347.2   | Meter Install-Other                 |                       | 0           | R-77 | 0                         | 0                          |
| 89   | 348     | Hydrants                            | 333,328               | 0           | R-78 | 0                         | 333,328                    |
| 90   | 349     | Other T&D Plant                     |                       | 0           | R-79 | 0                         | 0                          |
| 91   |         | Total Transmission & Distribution   | \$ 2,145,849          | \$ 0        |      | \$ 0                      | \$ 2,145,849               |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

| Line | A/C No.<br>(A) | Plant Title<br>(B)                | Balance<br>12/31/2006<br>(C) | Jefferson City<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|-----------------------------------|------------------------------|-------------------------------|------------|----------------------------------|-----------------------------------|
|      |                |                                   |                              | Amount<br>(D)                 | No.<br>(E) |                                  |                                   |
| 92   |                | Sewer Plant                       |                              |                               |            |                                  |                                   |
| 93   | 351.0          | Structures & Improvements         | \$                           | \$ 0                          | R-80       | \$ 0                             | \$ 0                              |
| 94   | 352.1          | Collection Sewers Forced          |                              | 0                             | R-81       | 0                                | 0                                 |
| 95   | 352.2          | Collecting Mains                  |                              | 0                             | R-82       | 0                                | 0                                 |
| 96   | 352.2          | Collecting Mains Other            |                              | 0                             | R-83       | 0                                | 0                                 |
| 97   | 353.0          | Service to Customers              |                              | 0                             | R-84       | 0                                | 0                                 |
| 98   | 363.0          | Electric Pumping Equipment        |                              | 0                             | R-85       | 0                                | 0                                 |
| 99   | 370.1          | Land & Land Rights                |                              | 0                             | R-86       | 0                                | 0                                 |
| 100  | 372            | T&D Equipment                     |                              | 0                             | R-87       | 0                                | 0                                 |
| 101  | 372.0          | T&D Equipment Influent Lift       |                              | 0                             | R-88       | 0                                | 0                                 |
| 102  | 374            | Outfall Sewer Lines               |                              | 0                             | R-89       | 0                                | 0                                 |
| 103  |                | Total Sewer Plant                 | \$ 0                         | \$ 0                          |            | \$ 0                             | \$ 0                              |
| 104  |                | General Plant                     |                              |                               |            |                                  |                                   |
| 105  | 389            | Land & Land Rights                | \$                           | \$ 0                          | R-90       | \$ 0                             | \$ 0                              |
| 106  | 390            | S&I-Store, Shop & Garage          |                              | 0                             | R-91       | 0                                | 0                                 |
| 107  | 390.1          | S & I-Offices                     | 104,314                      | 0                             | R-92       | (5,260)                          | 99,054                            |
| 108  | 390.1          | S & I-Leasehold                   |                              | 0                             | R-93       | 0                                | 0                                 |
| 109  | 390.1          | S & I-Leasehold - SCADA           |                              | 0                             | R-94       | 0                                | 0                                 |
| 110  | 390.3          | S&I-Misc                          |                              | 0                             | R-95       | 0                                | 0                                 |
| 111  | 391            | Office Furniture and Equipment    | 92,608                       | 0                             | R-96       | (721)                            | 91,887                            |
| 112  | 391.2          | Computers & Peripheral Equipment  | (44,041)                     | 0                             | R-97       | 3,924                            | (40,117)                          |
| 113  | 391.25         | Computer Software                 |                              | 0                             | R-98       | 84,931                           | 84,931                            |
| 114  | 391.26         | Computer Software Personal        |                              | 0                             | R-99       | 824                              | 824                               |
| 115  | 391.3          | Data Handling Equipment           |                              | 0                             | R-100      | 0                                | 0                                 |
| 116  | 391.3          | Other Office Equipment            |                              | 0                             | R-101      | 292                              | 292                               |
| 117  | 392.11         | Trans Equipment-Lt Duty Trucks    | 61,367                       | 0                             | R-102      | 2,034                            | 63,401                            |
| 118  | 392.12         | Trans Equipment-Hvy Duty Trucks   |                              | 0                             | R-103      | 0                                | 0                                 |
| 119  | 392.2          | Trans Equipment-Autos             | 17,645                       | 0                             | R-104      | 3,992                            | 21,637                            |
| 120  | 392.3          | Trans Equipment Other             |                              | 0                             | R-105      | 0                                | 0                                 |
| 121  | 393            | Stores Equipment                  | 615                          | 0                             | R-106      | 0                                | 615                               |
| 122  | 394            | Tools, Shop & Garage Equipment    | 103,104                      | 0                             | R-107      | 171                              | 103,275                           |
| 123  | 394            | Tools, Shop & Garage Equip Other  |                              | 0                             | R-108      | 0                                | 0                                 |
| 124  | 395            | Laboratory Equipment              | 16,026                       | 0                             | R-109      | 0                                | 16,026                            |
| 125  | 395            | Laboratory Equipment Other        |                              | 0                             | R-110      | 0                                | 0                                 |
| 126  | 396            | Power Operated Equipment          | 141,349                      | 0                             | R-111      | 0                                | 141,349                           |
| 127  | 397            | Comm Equipment-Non-Tele           | 40,639                       | 0                             | R-112      | 373                              | 41,012                            |
| 128  | 397.2          | Comm Equipment-Tele               |                              | 0                             | R-113      | 463                              | 463                               |
| 129  | 398            | Miscellaneous                     | 20,272                       | 0                             | R-114      | 102                              | 20,374                            |
| 130  | 399            | Other Tangible Property           |                              | 0                             | R-115      | 0                                | 0                                 |
| 131  |                | Total General Plant               | \$ 553,898                   | \$ 0                          |            | \$ 91,126                        | \$ 645,024                        |
| 132  |                | Not Classified                    | 2,282                        | 0                             | R-116      | 0                                | 2,282                             |
| 133  |                | <b>Total Depreciation Reserve</b> | <b>\$ 4,762,667</b>          | <b>\$ 0</b>                   |            | <b>\$ 102,282</b>                | <b>\$ 4,864,949</b>               |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Reserve**

Jefferson City

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

Jefferson City

| Line | A/C No. | Plant Title                      | District Specific Plant (Acctg Sub 3) | Depreciation Rate | District Specific Depreciation | Corporate Depreciation Distribution | Total District Depreciation |
|------|---------|----------------------------------|---------------------------------------|-------------------|--------------------------------|-------------------------------------|-----------------------------|
|      | (A)     | (B)                              | (C)                                   | (D)               | (E)                            | (F)                                 | (G)                         |
| 1    |         | Intangible                       |                                       |                   |                                |                                     |                             |
| 2    | 301     | Organization                     | \$ 772                                | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 3    | 302     | Franchise & Consents             | 0                                     | 0.00%             | 0                              | 0                                   | 0                           |
| 4    | 303     | Miscellaneous Intangible         | 0                                     | 0.00%             | 0                              | 0                                   | 0                           |
| 5    |         | Total Intangible                 | \$ 772                                |                   | \$ 0                           | \$ 0                                | \$ 0                        |
| 6    |         | Source of Supply                 |                                       |                   |                                |                                     |                             |
| 7    | 310     | Land & Land Rights               | \$ 0                                  | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 8    | 311     | Structures & Improvements        | 23,746                                | 2.45%             | 582                            | 0                                   | 582                         |
| 9    | 312     | Collecting & Impounding Res      | 0                                     | 1.25%             | 0                              | 0                                   | 0                           |
| 10   | 313     | Lake, River & Other Intakes      | 388,419                               | 1.77%             | 6,875                          | 0                                   | 6,875                       |
| 11   | 314     | Wells & Springs                  | 0                                     | 1.67%             | 0                              | 0                                   | 0                           |
| 12   | 315     | Infiltration Galleries & Tunnels | 0                                     | 1.67%             | 0                              | 0                                   | 0                           |
| 13   | 316     | Supply Mains                     | 0                                     | 1.60%             | 0                              | 0                                   | 0                           |
| 14   | 316     | Supply Mains-North Plant         | 0                                     | 1.60%             | 0                              | 0                                   | 0                           |
| 15   | 316     | Supply Mains-Central Plant       | 0                                     | 1.60%             | 0                              | 0                                   | 0                           |
| 16   | 316     | Supply Mains-South Plant         | 0                                     | 1.60%             | 0                              | 0                                   | 0                           |
| 17   | 316     | Supply Mains-Meramec Plant       | 0                                     | 1.60%             | 0                              | 0                                   | 0                           |
| 18   | 317     | Other Source of Supply Plant     | 0                                     | 4.00%             | 0                              | 0                                   | 0                           |
| 19   |         | Total Source of Supply           | \$ 412,165                            |                   | \$ 7,457                       | \$ 0                                | \$ 7,457                    |
| 20   |         | Pumping                          |                                       |                   |                                |                                     |                             |
| 21   | 320     | Land & Land Rights               | \$ 944                                | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 22   | 321     | S & I-Plant                      | 612,421                               | 1.73%             | 10,595                         | 0                                   | 10,595                      |
| 23   | 321.1   | S & I-Pumps (STL)                | 0                                     | 1.73%             | 0                              | 0                                   | 0                           |
| 24   | 321.2   | S & I-Boosters                   | 0                                     | 1.73%             | 0                              | 0                                   | 0                           |
| 25   | 322     | Boiler Equipment                 | 0                                     | 2.00%             | 0                              | 0                                   | 0                           |
| 26   | 323     | Other Power Prod. Equip.         | 0                                     | 2.00%             | 0                              | 0                                   | 0                           |
| 27   | 324     | Steam Pumping Equipment          | 0                                     | 0.00%             | 0                              | 0                                   | 0                           |
| 28   | 325.1   | Electric Pumping Equipment       | 1,499,638                             | 2.44%             | 36,591                         | 0                                   | 36,591                      |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 30   | 325.3   | Pumping Equipment-Post '46       | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 31   | 325     | Pumping Equipment-Booster        | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 32   | 326     | Diesel Pumping Equipment         | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 33   | 326     | Dsl Pump Equip-Stratman          | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 35   | 327     | Pump Equip Hydraulic             | 0                                     | 2.44%             | 0                              | 0                                   | 0                           |
| 36   | 328     | Other Pumping Equipment          | 4,890                                 | 2.44%             | 119                            | 0                                   | 119                         |
| 37   |         | Total Pumping                    | \$ 2,117,893                          |                   | \$ 47,305                      | \$ 0                                | \$ 47,305                   |
| 38   |         | Water Treatment Plant            |                                       |                   |                                |                                     |                             |
| 39   | 330     | Land & Land Rights               | \$ 50,762                             | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 40   | 331     | Structures & Improvements        | 2,216,231                             | 1.63%             | 36,125                         | 0                                   | 36,125                      |
| 41   | 331     | S & I - North Plant              | 0                                     | 1.63%             | 0                              | 0                                   | 0                           |
| 42   | 331     | S & I-Central 1 & 2              | 0                                     | 1.63%             | 0                              | 0                                   | 0                           |
| 43   | 331     | S & I-Central 3                  | 0                                     | 1.63%             | 0                              | 0                                   | 0                           |
| 44   | 331     | S & I-South Plant                | 0                                     | 1.63%             | 0                              | 0                                   | 0                           |
| 45   | 331     | S & I-Meramec                    | 0                                     | 1.63%             | 0                              | 0                                   | 0                           |
| 46   | 332     | WT Equip Non-Media               | 2,962,710                             | 2.78%             | 82,363                         | 0                                   | 82,363                      |
| 47   | 332     | WT Equip-North Plant             | 0                                     | 2.78%             | 0                              | 0                                   | 0                           |
| 48   | 332     | WT Equip-Central 1 & 2           | 0                                     | 2.78%             | 0                              | 0                                   | 0                           |
| 49   | 332     | WT Equip-Central 3               | 0                                     | 2.78%             | 0                              | 0                                   | 0                           |
| 50   | 332     | WT Equip-South Plant             | 0                                     | 2.78%             | 0                              | 0                                   | 0                           |
| 51   | 332     | WT Equip-Meramec                 | 0                                     | 2.78%             | 0                              | 0                                   | 0                           |
| 52   | 332     | Other P/E Hand Equipment         | 0                                     | 3.33%             | 0                              | 0                                   | 0                           |
| 53   | 332.4   | Equipment Filter Media           | 0                                     | 2.78%             | 0                              | 0                                   | 0                           |
| 54   |         | Total Water Treatment Plant      | \$ 5,229,703                          |                   | \$ 118,488                     | \$ 0                                | \$ 118,488                  |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

Jefferson City

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | District Specific Plant<br>(Accog Sch B)<br>(C) | Depreciation Rate<br>(D) | District Specific Depreciation<br>(E) | Corporate Depreciation Distribution<br>(F) | Total District Depreciation<br>(G) |
|------|----------------|-------------------------------------|---|--------------------------|---------------------------------------|--|------------------------------------|
| 55   |                | Transmission & Distribution         |   |                          |                                       |  |                                    |
| 56   | 340            | Land & Land Rights                  | \$ 45,514                                       | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 57   | 341            | Structures & Improvements           | 47,953  | 2.67%                    | 1,280                                 | 0  | 1,280                              |
| 58   | 341.63         | S & I-Spec Cross                    | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 59   | 342            | Distr. Res. & Standpipes            | 43,968  | 2.25%                    | 989                                   | 0  | 989                                |
| 60   | 342            | Rsvr & Standpipe-Elcv               | 355   | 2.25%                    | 8                                     | 0  | 8                                  |
| 61   | 342            | Rsvr & Standpipe-Ground             | 989,901   | 2.25%                    | 22,273                                | 0  | 22,273                             |
| 62   | 343            | T & D Mains (Not Classified)        | 6,061,578                                       | 1.50%                    | 90,924                                | 0  | 90,924                             |
| 63   | 343.1          | T & D Mains - 4" & Less             | 39,863  | 1.50%                    | 598                                   | 0  | 598                                |
| 64   | 343.1          | T & D Mains AC 4 (STL)              | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 900,363   | 1.50%                    | 13,505                                | 0  | 13,505                             |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 1,124,661                                       | 1.50%                    | 16,870                                | 0  | 16,870                             |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 75   | 343.3          | CI-12" (STL)                        | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 76   | 343.3          | CI-16" (STL)                        | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 81   | 344            | Fire Mains                          | 0   | 1.50%                    | 0                                     | 0  | 0                                  |
| 82   | 345            | Services                            | 358,398   | 3.08%                    | 11,039                                | 0  | 11,039                             |
| 83   | 346.1          | Meters-Bronze Case                  | 2,792   | 2.43%                    | 68                                    | 0  | 68                                 |
| 84   | 346.2          | Meters-Plastic Case                 | 0   | 2.43%                    | 0                                     | 0  | 0                                  |
| 85   | 346.3          | Meters-Other                        | 787,582   | 2.43%                    | 19,138                                | 0  | 19,138                             |
| 86   | 346.3          | Meters-Remote (ARB's)               | 0   | 2.43%                    | 0                                     | 0  | 0                                  |
| 87   | 347.1          | Meter Install                       | 311,286   | 2.43%                    | 7,564                                 | 0  | 7,564                              |
| 88   | 347.2          | Meter Install-Other                 | 0   | 2.43%                    | 0                                     | 0  | 0                                  |
| 89   | 348            | Hydrants                            | 1,004,470                                       | 1.92%                    | 19,286                                | 0  | 19,286                             |
| 90   | 349            | Other T&D Plant                     | 0   | 2.00%                    | 0                                     | 0  | 0                                  |
| 91   |                | Total Transmission & Distribution   | \$ 11,718,684                                   |                          | \$ 203,542                            | \$ 0                                       | \$ 203,542                         |
| 92   |                | Sewer Plant                         |   |                          |                                       |  |                                    |
| 93   | 351.0          | Structures & Improvements           | \$ 0  | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 94   | 352.1          | Collection Sewers Forced            | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 95   | 352.2          | Collecting Mains                    | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 96   | 352.2          | Collecting Mains Other              | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 97   | 353.0          | Service to Customers                | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 98   | 363.0          | Electric Pumping Equipment          | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 99   | 370.1          | Land & Land Rights                  | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 100  | 372            | T&D Equipment                       | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 101  | 372.0          | T&D Equipment Influent Lift         | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 102  | 374            | Outfall Sewer Lines                 | 0   | 0.00%                    | 0                                     | 0  | 0                                  |
| 103  |                | Total Sewer Plant                   | \$ 0  |                          | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 104  |                | General Plant                       |   |                          |                                       |  |                                    |
| 105  | 389            | Land & Land Rights                  | \$ 7,181  | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 106  | 390            | S&I-Store, Shop & Garage            | 0   | 2.40%                    | 0                                     | 0  | 0                                  |
| 107  | 390.1          | S & I-Offices                       | 232,303   | 2.40%                    | 5,575                                 | 0  | 5,575                              |
| 108  | 390.1          | S & I-Leasehold                     | 0   | 5.00%                    | 0                                     | 0  | 0                                  |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

| Line |                |                                  | Jefferson City                                   |                          |                                       |  |                                    |
|------|----------------|----------------------------------|--|--------------------------|---------------------------------------|--|------------------------------------|
|      | A/C No.<br>(A) | Plant Title<br>(B)               | District Specific Plant<br>(Acctg Sch. 3)<br>(C) | Depreciation Rate<br>(D) | District Specific Depreciation<br>(E) | Corporate Depreciation Distribution<br>(F) | Total District Depreciation<br>(G) |
| 109  | 390.1          | S & I-Leasehold - SCADA          | 0  | 5.00%                    | 0                                     | 0  | 0                                  |
| 110  | 390.3          | S&I-Misc                         | 0  | 2.40%                    | 0                                     | 0  | 0                                  |
| 111  | 391            | Office Furniture and Equipment   | 31,964   | 4.00%                    | 1,279                                 | 988  | 2,266                              |
| 112  | 391.2          | Computers & Peripheral Equipment | 241,751  | 14.29%                   | 34,546                                | 10,816                                     | 45,362                             |
| 113  | 391.25         | Computer Software                | 0  | 14.29%                   | 0                                     | 28,450                                     | 28,450                             |
| 114  | 391.26         | Computer Software Personal       | 0  | 14.29%                   | 0                                     | 552  | 552                                |
| 115  | 391.3          | Data Handling Equipment          | 0  | 6.67%                    | 0                                     | 0  | 0                                  |
| 116  | 391.3          | Other Office Equipment           | 0  | 6.67%                    | 0                                     | 31   | 31                                 |
| 117  | 392.11         | Trans Equipment-Lt Duty Trucks   | 76,771   | 0.00%                    | 0                                     | 0  | 0                                  |
| 118  | 392.12         | Trans Equipment-Hvy Duty Trucks  | 0  | 8.33%                    | 0                                     | 0  | 0                                  |
| 119  | 392.2          | Trans Equipment-Autos            | 20,483   | 0.00%                    | 0                                     | 0  | 0                                  |
| 120  | 392.3          | Trans Equipment Other            | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 121  | 393            | Stores Equipment                 | 1,524  | 2.86%                    | 44                                    | 0  | 44                                 |
| 122  | 394            | Tools, Shop & Garage Equipment   | 168,845  | 5.00%                    | 8,442                                 | 27   | 8,469                              |
| 123  | 394            | Tools, Shop & Garage Equip Other | 0  | 5.00%                    | 0                                     | 0  | 0                                  |
| 124  | 395            | Laboratory Equipment             | 47,644   | 4.00%                    | 1,906                                 | 0  | 1,906                              |
| 125  | 395            | Laboratory Equipment Other       | 0  | 4.00%                    | 0                                     | 0  | 0                                  |
| 126  | 396            | Power Operated Equipment         | 108,875  | 6.82%                    | 7,425                                 | 0  | 7,425                              |
| 127  | 397            | Comm Equipment-Non-Tele          | 61,783   | 5.00%                    | 3,089                                 | 4  | 3,093                              |
| 128  | 397.2          | Comm Equipment-Tele              | 0  | 6.67%                    | 0                                     | 76   | 76                                 |
| 129  | 398            | Miscellaneous                    | 258,211  | 5.00%                    | 12,911                                | 18   | 12,928                             |
| 130  | 399            | Other Tangible Property          | 0  | 5.00%                    | 0                                     | 0  | 0                                  |
| 131  |                | Total General Plant              | \$ 1,257,335                                     |                          | \$ 75,217                             | \$ 40,961                                  | \$ 116,178                         |
| 132  |                | Total Depreciation Expense       | \$ 20,736,552                                    |                          | \$ 452,009                            | \$ 40,961                                  | \$ 492,970                         |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Cash Working Capital

## Jefferson City

| Line | Description<br>(A)   | Adjusted Test<br>Year Expenses<br>(B) | Revenue<br>Lag<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(C)-(D)<br>(E) | Factor<br>(E)/(B)<br>(F) | Cash Working<br>Capital<br>Requirement<br>(B)*(F)<br>(G) |
|------|--|---------------------------------------|-----------------------|-----------------------|----------------------------------|--------------------------|--|
| 1    | Operation & Maintenance Expense  |                                       |                       |                       |                                  |                          |  |
| 2    | Base Payroll   | \$ 371,842                            | 38.41                 | 13.00                 | 25.41                            | 0.0696                   | \$ 25,880  |
| 3    | Payroll Withholdings:  |                                       |                       |                       |                                  |                          |  |
| 4    | FICA - Employee Portion  | 58,048                                | 38.41                 | 16.19                 | 22.22                            | 0.0609                   | 3,535  |
| 5    | Federal Income Taxes Withheld  | 121,947                               | 38.41                 | 16.19                 | 22.22                            | 0.0609                   | 7,427  |
| 6    | State Income Taxes Withheld  | 39,578                                | 38.41                 | 18.19                 | 20.22                            | 0.0554                   | 2,193  |
| 7    | 401(k)   | 70,888                                | 38.41                 | 38.82                 | (0.41)                           | (0.0011)                 | (78)   |
| 8    | EIP  | 5,482                                 | 38.41                 | 38.82                 | (0.41)                           | (0.0011)                 | (6)  |
| 9    | Fuel & Power   | 208,125                               | 38.41                 | 37.20                 | 1.21                             | 0.0033                   | 687  |
| 10   | Chemicals  | 300,953                               | 38.41                 | 38.41                 | 0.00                             | 0.0000                   | 0  |
| 11   | Materials and Supplies   | 133,719                               | 38.41                 | 38.41                 | 0.00                             | 0.0000                   | 0  |
| 12   | Purchased Water  | 1,830                                 | 38.41                 | 42.45                 | (4.04)                           | (0.0111)                 | (20)   |
| 13   | Management Fees  | 768,564                               | 38.41                 | 21.41                 | 17.00                            | 0.0466                   | 35,815   |
| 14   | Group Insurance  | 173,307                               | 38.41                 | (7.50)                | 45.91                            | 0.1258                   | 21,802   |
| 15   | OPEB's   | 33,553                                | 38.41                 | 3.41                  | 35.00                            | 0.0959                   | 3,218  |
| 16   | Pensions   | 94,413                                | 38.41                 | 17.58                 | 20.83                            | 0.0571                   | 5,391  |
| 17   | EIP - Employer Match   | (1,300)                               | 38.41                 | 38.82                 | (0.41)                           | (0.0011)                 | 1  |
| 18   | 401(k) - Employer Match  | 13,521                                | 38.41                 | 38.82                 | (0.41)                           | (0.0011)                 | (15)   |
| 19   | Insurance Other Than Group   | 125,800                               | 38.41                 | 42.44                 | (4.03)                           | (0.0110)                 | (1,384)  |
| 20   | Uncollectible Accounts   | 90,620                                | 38.41                 | 38.41                 | 0.00                             | 0.0000                   | 0  |
| 21   | Rents  | 6,674                                 | 38.41                 | (9.96)                | 48.37                            | 0.1325                   | 884  |
| 22   | Cash Vouchers  | 400,779                               | 38.41                 | 21.41                 | 17.00                            | 0.0466                   | 18,676   |
| 23   | Total Operation & Maintenance Expense                                  | \$ 3,018,342                          |                       |                       |                                  |                          | \$ 124,006   |
| 24   | Taxes Other Than Income  |                                       |                       |                       |                                  |                          |  |
| 25   | FICA - Employer Portion  | 58,048                                | 38.41                 | 16.19                 | 22.22                            | 0.0609                   | \$ 3,535   |
| 26   | Federal Unemployment   | 896                                   | 38.41                 | 76.38                 | (37.97)                          | (0.1040)                 | (93)   |
| 27   | State Unemployment   | 2,286                                 | 38.41                 | 76.38                 | (37.97)                          | (0.1040)                 | (238)  |
| 28   | Property Taxes   | 237,113                               | 38.41                 | 182.50                | (144.09)                         | (0.3948)                 | (93,612)   |
| 29   | Franchise Tax  | 4,940                                 | 38.41                 | (77.50)               | 115.91                           | 0.3176                   | 1,569  |
| 30   | PSC Assessment   | 27,492                                | 38.41                 | (31.63)               | 70.04                            | 0.1919                   | 5,276  |
| 31   | Total Taxes Other Than Income  | \$ 330,776                            |                       |                       |                                  |                          | \$ (83,563)  |
| 32   | Other Expenses   |                                       |                       |                       |                                  |                          |  |
| 33   | Gross Receipts Tax   | 0                                     | 22.07                 | 47.37                 | (25.30)                          | (0.0693)                 | 0  |
| 34   | Sales Tax  | 22,923                                | 0.00                  | 8.12                  | (8.12)                           | (0.0222)                 | (509)  |
| 35   | Missouri Primacy Fees  | 29,134                                | 22.07                 | 243.50                | (221.43)                         | (0.6067)                 | (17,676)   |
| 36   | Total Other Expenses   | \$ 52,057                             |                       |                       |                                  |                          | \$ (18,185)  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |                                       |                       |                       |                                  |                          | <b>\$ 22,258</b>   |
| 38   | Interest Expense   | \$ 334,060                            | 38.41                 | 108.85                | (70.44)                          | (0.1930)                 | \$ (64,474)  |
| 39   | Federal Income Tax   | \$ 217,082                            | 38.41                 | 37.00                 | 1.41                             | 0.0039                   | \$ 847   |
| 40   | State Income Tax   | \$ 34,113                             | 38.41                 | 58.95                 | (20.54)                          | (0.0563)                 | \$ (1,921)   |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Statement**

Jefferson City

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Adjustment    |            | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>[(B)+(C)+(E)]<br>(F) |
|------|--------------------------------|--|---------------|------------|--|--|
|      |                                |  | Amount<br>(C) | No.<br>(D) |  |  |
| 1    | Operating Revenues:            |  |               |            |  |  |
| 2    | Residential Revenue            | \$ 2,186,967                           | \$ 37,017     | S-1        | \$ 0   | \$ 2,223,984                                     |
| 3    | Commercial Revenue             | 1,108,509                              | 105,474       | S-2        | 1  | 1,213,984  |
| 4    | Industrial Revenue             | 209,961                                | (2,537)       | S-3        | 0  | 207,424  |
| 5    | Private Fire                   | 114,045                                | 0             | S-4        | 0  | 114,045  |
| 6    | Public Fire                    | 0                                      | 0             | S-5        | 0  | 0  |
| 7    | Public Authorities             | 378,674                                | (14,146)      | S-6        | 0  | 364,528  |
| 8    | Sales For Resale               | 0                                      | 0             | S-7        | 0  | 0  |
| 9    | Other Revenue                  | 22,681                                 | 0             | S-8        | 4,653  | 27,334   |
| 10   | Total Revenues                 | \$ 4,020,837                           | \$ 125,808    |            | \$ 4,654                                     | \$ 4,151,299                                     |
| 11   | Operating Expenses:            |  |               |            |  |  |
| 12   | Operation & Maintenance:       |  |               |            |  |  |
| 13   | Source of Supply               | 3,521                                  | (33)          | S-9        | 14   | 3,502  |
| 14   | Pumping                        | 209,283                                | (3,631)       | S-10       | (3,728)                                      | 201,924  |
| 15   | Water Treatment                | 590,568                                | 29,787        | S-11       | 58   | 620,413  |
| 16   | Transmission & Distribution    | 307,441                                | (21,775)      | S-12       | 0  | 285,666  |
| 17   | Customer Accounts              | 190,333                                | (21,760)      | S-13       | 107,728                                      | 276,301  |
| 18   | Administrative & General       | 419,476                                | 79,440        | S-14       | 1,131,620                                    | 1,630,535  |
| 19   | Total O & M Expense            | \$ 1,720,622                           | \$ 62,028     |            | \$ 1,235,692                                 | \$ 3,018,342                                     |
| 20   | Other Operating Expenses:      |  |               |            |  |  |
| 21   | Depreciation - Plant           | 291,590                                | 114,061       | S-15       | 40,961                                       | 446,612  |
| 22   | Amortization                   | 0                                      | 0             | S-16       | 0  | 0  |
| 23   | Taxes Other Than Income        | 304,255                                | (8,360)       | S-17       | 34,881                                       | 330,776  |
| 24   | Total Other Operating Expense  | \$ 595,845                             | \$ 105,701    |            | \$ 75,842                                    | \$ 777,388                                       |
| 25   | Total Operating Expenses       | 2,316,467                              | 167,729       |            | 1,311,534                                    | 3,795,730  |
| 26   | Net Income Before Income Taxes | \$ 1,704,370                           | \$ (41,921)   |            | \$ (1,306,881)                               | \$ 355,569                                       |
| 27   | Income Taxes:                  |  |               |            |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ (8,495)    | S-18       | \$ (5,166)                                   | \$ (13,661)                                      |
| 29   | Deferred Income Tax:           |  |               |            |  |  |
| 30   | Deferred Income Tax Expense    | 6,624                                  | (55,700)      | S-19       | 75,942                                       | 26,866   |
| 31   | ITC Amortization               | (4,224)                                | 0             | S-20       | 0  | (4,224)  |
| 32   | Total Income Taxes             | \$ 2,400                               | \$ (64,195)   |            | \$ 70,776                                    | \$ 8,981   |
| 33   | Net Operating Income           | \$ 1,701,970                           | \$ 22,274     |            | \$ (1,377,656)                               | \$ 346,588                                       |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Adjustments To Income Statement

Jefferson City

| Adjmt<br>No.                   | Description   | Adjustment<br>Amount | Total<br>Adjustment |
|--------------------------------|---|----------------------|---------------------|
| <b>Residential Revenue S-1</b> |   |                      | <b>\$ 37,017</b>    |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 30,239            |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 6,778                |                     |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Commercial Revenue S-2</b>  |   |                      | <b>\$ 105,474</b>   |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 77,517            |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 27,957               |                     |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Industrial Revenue S-3</b>  |   |                      | <b>\$ (2,537)</b>   |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0                 |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | (2,537)              |                     |
| <b>Private Fire S-4</b>        |   |                      | <b>\$ 0</b>         |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| <b>Public Fire S-5</b>         |   |                      | <b>\$ 0</b>         |
| 1                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Public Authorities S-6</b>  |   |                      | <b>\$ (14,146)</b>  |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | (14,146)             |                     |
| 2                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Sales For Resale S-7</b>    |   |                      | <b>\$ 0</b>         |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0                 |                     |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| <b>Other Revenue S-8</b>       |   |                      | <b>\$ 0</b>         |
| 1                              | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                    |                     |
| <b>Source of Supply S-9</b>    |   |                      | <b>\$ (33)</b>      |
| 1                              | To Annualize Payroll (Hanneken)                                     | \$ (4)               |                     |
| 2                              | To Normalize Overtime Pay (Hanneken)                                | (29)                 |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

|   |   | Jefferson City    |                    |
|---|---|-------------------|--------------------|
| Adjmt No.                                   | Description   | Adjustment Amount | Total Adjustment   |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 0                 |                    |
| <b>Pumping S-10</b>                         |   |                   | <b>\$ (3,631)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 0              |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 0                 |                    |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (64)              |                    |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | (3,567)           |                    |
| <b>Water Treatment S-11</b>                 |   |                   | <b>\$ 29,787</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (5,211)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (39,773)          |                    |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 0                 |                    |
| 6   | To Annualize Chemicals Expense (Grissum)                          | 74,771            |                    |
| <b>Transmission &amp; Distribution S-12</b> |   |                   | <b>\$ (21,775)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (2,519)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (19,231)          |                    |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (24)              |                    |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                 |                    |
| <b>Customer Accounts S-13</b>               |   |                   | <b>\$ (21,760)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (2,295)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (17,517)          |                    |
| 3   | To Annualize Postage Expense (Grissum)                            | 1,687             |                    |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (3,635)           |                    |
| <b>Administrative &amp; General S-14</b>    |   |                   | <b>\$ 79,440</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (1,680)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (12,825)          |                    |

Missouri-American Water Company  
Case No. WR-2007-0216  
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**Adjustments To Income Statement**

| Adjmt<br>No.                | Description   | Jefferson City       |                     |
|-----------------------------|---|----------------------|---------------------|
|                             |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                           | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                           | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | (1,323)              |                     |
| 5                           | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                           | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                           | To Annualize Insurance Other Than Group (Hagemeyer)                 | 8,462                |                     |
| 8                           | To Annualize Other Post Employment Benefits (Hagemeyer)             | 9,352                |                     |
| 9                           | To Annualize Tank Painting Expense (Hagemeyer)                      | (128,783)            |                     |
| 10                          | To Annualize Pension Expense (Hagemeyer)                            | 15,355               |                     |
| 11                          | To Annualize Transportation Leases (Hagemeyer)                      | 14,291               |                     |
| 12                          | To Annualize Waste Disposal Expense (Hagemeyer)                     | 0                    |                     |
| 13                          | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                          | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                          | To Remove Meals, Awards, etc. (Began)                               | (1,251)              |                     |
| 16                          | To Remove Miscellaneous Expense (Began)                             | 0                    |                     |
| 17                          | To Remove Dues and Donations (Began)                                | (1,300)              |                     |
| 18                          | To Remove Disallowed Promotion Expense (Began)                      | 0                    |                     |
| 19                          | To Remove Disallowed Advertising Expense (Began)                    | (396)                |                     |
| 20                          | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                          | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                          | To Annualize Payroll Tax Expense (Hanneken)                         | 181,246              |                     |
| 23                          | To Annualize Incentive Compensation Expense (Hanneken)              | (1,708)              |                     |
| 24                          | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                          | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                          | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                          | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                          | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant</b> |   |                      |                     |
|                             | S-15  |                      | \$ 114,061          |
| 1                           | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 160,419           |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

Jefferson City

| Adjmt<br>No.                            | Description  | Adjustment<br>Amount | Total<br>Adjustment |
|---|--|----------------------|---------------------|
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (45,207)             |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (1,151)              |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 549               |                     |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (131)                |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | (8,778)              |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy )                                       | \$ (8,495)           | \$ (8,495)          |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ (55,700)          | \$ (55,700)         |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| 2                                       |  | 0                    |                     |

Missouri-American Water Company  
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**Income Tax Calculation**

| Line | Description<br>(A)                             | Test Year<br>(B)   | Jefferson City         |                        |                        |
|------|--|--------------------|------------------------|------------------------|------------------------|
|      |  |                    | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 346,588         | \$ 771,666             | \$ 788,924             | \$ 806,181             |
| 2    | Add:   |                    |                        |                        |                        |
| 3    | Current Income Tax                             | (13,661)           | 251,195                | 261,948                | 272,701                |
| 4    | Deferred Income Taxes                          |                    |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | 26,866             | 26,866                 | 26,866                 | 26,866                 |
| 6    | ITC Amortization                               | (4,224)            | (4,224)                | (4,224)                | (4,224)                |
| 7    | Net Income Before Income Tax                   | \$ 355,569         | \$ 1,045,503           | \$ 1,073,514           | \$ 1,101,525           |
| 8    | Additions to Net Income Before Income Tax:     |                    |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 446,612         | \$ 446,612             | \$ 446,612             | \$ 446,612             |
| 10   | Contributions In Aid of Construction           | 0                  | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                  | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 1,170              | 1,170                  | 1,170                  | 1,170                  |
| 13   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 447,782         | \$ 447,782             | \$ 447,782             | \$ 447,782             |
| 16   | Subtractions to Net Income Before Income Tax:  |                    |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 334,060         | \$ 334,060             | \$ 334,060             | \$ 334,060             |
| 18   | Tax Straight Line Depreciation                 | 446,612            | 446,612                | 446,612                | 446,612                |
| 19   | Tax Depreciation in Excess of Straight Line    | 58,265             | 58,265                 | 58,265                 | 58,265                 |
| 20   | Cost of Removal                                | 0                  | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                  | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 838,937         | \$ 838,937             | \$ 838,937             | \$ 838,937             |
| 24   | Net Taxable Income                             | \$ (35,587)        | \$ 654,348             | \$ 682,359             | \$ 710,370             |
| 25   | Provision for Federal Income Tax               |                    |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ (35,587)        | \$ 654,348             | \$ 682,359             | \$ 710,370             |
| 27   | Deduct Missouri Income Tax @ 100.00%           | (1,855)            | 34,113                 | 35,573                 | 37,034                 |
| 28   | Federal Taxable Income                         | \$ (33,732)        | \$ 620,235             | \$ 646,786             | \$ 673,336             |
| 29   | Federal Income Tax @ 35.00%                    | \$ (11,806)        | \$ 217,082             | \$ 226,375             | \$ 235,668             |
| 30   | Provision for Missouri Income Tax              |                    |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ (35,587)        | \$ 654,348             | \$ 682,359             | \$ 710,370             |
| 32   | Deduct Federal Income Tax @ 50.00%             | (5,903)            | 108,541                | 113,188                | 117,834                |
| 33   | Missouri Taxable Income                        | \$ (29,684)        | \$ 545,807             | \$ 569,171             | \$ 592,536             |
| 34   | Missouri Income Tax @ 6.25%                    | \$ (1,855)         | \$ 34,113              | \$ 35,573              | \$ 37,034              |
| 35   | Summary of Provision For Income Tax            |                    |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ (11,806)        | \$ 217,082             | \$ 226,375             | \$ 235,668             |
| 37   | State Income Tax                               | (1,855)            | 34,113                 | 35,573                 | 37,034                 |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ (13,661)</b> | <b>\$ 251,195</b>      | <b>\$ 261,948</b>      | <b>\$ 272,701</b>      |



**JOPLIN**

Missouri-American Water Company  
Case No. WR-2007-0216  
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**Revenue Requirement**

| Line | (A)  | Joplin                        |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 33,874,129                 | \$ 33,874,129                 | \$ 33,874,129                 |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 2,120,520                  | \$ 2,167,944                  | \$ 2,215,368                  |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 380,339                       | 380,339                       | 380,339                       |
| 5    | Additional Net Operating Income Requirement                    | \$ 1,740,181                  | \$ 1,787,605                  | \$ 1,835,029                  |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 751,727                    | \$ 781,276                    | \$ 810,824                    |
| 8    | Test Year Current Income Tax                                   | (332,540)                     | (332,540)                     | (332,540)                     |
| 9    | Additional Current Income Tax Requirement                      | \$ 1,084,267                  | \$ 1,113,816                  | \$ 1,143,364                  |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 2,824,448                  | \$ 2,901,420                  | \$ 2,978,393                  |
| 11   | Allowance for True-up  | \$ 1,405,160                  | \$ 1,405,160                  | \$ 1,405,160                  |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 4,229,608</b>           | <b>\$ 4,306,580</b>           | <b>\$ 4,383,553</b>           |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 7,841,675                  | \$ 7,841,675                  | \$ 7,841,675                  |
| 14   | Total Gross Revenue Requirement                                | \$ 12,071,283                 | \$ 12,148,256                 | \$ 12,225,228                 |

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**Rate Base**

| Line | Description<br>(A)  | Joplin                 |                                  |                      |
|------|---|------------------------|----------------------------------|----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)         |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 65,094,413          | \$ 629,529                       | \$ 65,723,942        |
| 2    | Less:   |                        |                                  | 0                    |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 11,881,216             | 196,683                          | 12,077,899           |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                    |
| 5    | Net Plant in Service  | \$ 53,213,197          | \$ 432,846                       | \$ 53,646,043        |
| 6    | Add:  |                        |                                  |                      |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ 37,206              | \$                               | \$ 37,206            |
| 8    | Materials and Supplies  | 373,938                | 1,206                            | 375,144              |
| 9    | Prepayments   |                        | 43,164                           | 43,164               |
| 10   | Deferred OPEB Asset   |                        | 262,252                          | 262,252              |
| 11   | Other   |                        | 0                                | 0                    |
| 12   | Other   |                        | 0                                | 0                    |
| 13   | Other   |                        | 0                                | 0                    |
| 14   | Total Additions to Net Plant in Service                       | \$ 411,144             | \$ 306,622                       | \$ 717,766           |
| 15   | Deduct:   |                        |                                  |                      |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 176,621             | \$                               | \$ 176,621           |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (2,923)                |                                  | (2,923)              |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 5,676                  |                                  | 5,676                |
| 19   | Contributions In Aid of Construction:                         | 12,159,604             | 0                                | 12,159,604           |
| 20   | Customer Advances   | 3,294,402              | (179)                            | 3,294,223            |
| 21   | Customer Deposits   |                        | 0                                | 0                    |
| 22   | Pre-71 ITC  | 15,097                 | (4,845)                          | 10,252               |
| 23   | Deferred Income Taxes   |                        | 4,218,246                        | 4,218,246            |
| 24   | Accrued Pension Liability                                     |                        | 627,981                          | 627,981              |
| 25   | Other   |                        | 0                                | 0                    |
| 26   | Other   |                        | 0                                | 0                    |
| 27   | Other   |                        | 0                                | 0                    |
| 28   | Total Deductions to Net Plant in Service                      | \$ 15,648,477          | \$ 4,841,203                     | \$ 20,489,680        |
| 29   | <b>Total Rate Base</b>  | <b>\$ 37,975,864</b>   | <b>\$ (4,101,735)</b>            | <b>\$ 33,874,129</b> |

Missouri-American Water Company  
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**Plant In Service**

Joplin

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|---------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |         |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 1    |         | Intangible                       |                              |               |            |                                  |                                   |
| 2    | 301     | Organization                     | \$ 0                         | \$ 0          | P-1        | \$ 11,420                        | \$ 11,420                         |
| 3    | 302     | Franchise & Consents             | 20,740                       | 0             | P-2        | 0                                | 20,740                            |
| 4    | 303     | Miscellaneous Intangible         | 46,204                       | 0             | P-3        | 17,879                           | 64,083                            |
| 5    |         | Total Intangible                 | \$ 66,944                    | \$ 0          |            | \$ 29,299                        | \$ 96,243                         |
| 6    |         | Source of Supply                 |                              |               |            |                                  |                                   |
| 7    | 310     | Land & Land Rights               | \$ 146,949                   | \$ 0          | P-4        | \$ 0                             | \$ 146,949                        |
| 8    | 311     | Structures & Improvements        | 2,247,667                    | 0             | P-5        | 0                                | 2,247,667                         |
| 9    | 312     | Collecting & Impounding Res      | 110,883                      | 0             | P-6        | 0                                | 110,883                           |
| 10   | 313     | Lake, River & Other Intakes      | 52,654                       | 0             | P-7        | 0                                | 52,654                            |
| 11   | 314     | Wells & Springs                  | 3,706,315                    | 0             | P-8        | 0                                | 3,706,315                         |
| 12   | 315     | Infiltration Galleries & Tunnels |                              | 0             | P-9        | 0                                | 0                                 |
| 13   | 316     | Supply Mains                     | 343,054                      | 0             | P-9        | 0                                | 343,054                           |
| 14   | 316     | Supply Mains-North Plant         |                              | 0             | P-10       | 0                                | 0                                 |
| 15   | 316     | Supply Mains-Central Plant       |                              | 0             | P-11       | 0                                | 0                                 |
| 16   | 316     | Supply Mains-South Plant         |                              | 0             | P-12       | 0                                | 0                                 |
| 17   | 316     | Supply Mains-Meramec Plant       |                              | 0             | P-13       | 0                                | 0                                 |
| 18   | 317     | Other Source of Supply Plant     |                              | 0             | P-14       | 0                                | 0                                 |
| 19   |         | Total Source of Supply           | \$ 6,607,522                 | \$ 0          |            | \$ 0                             | \$ 6,607,522                      |
| 20   |         | Pumping                          |                              |               |            |                                  |                                   |
| 21   | 320     | Land & Land Rights               | \$ 12,561                    | \$ 0          | P-15       | \$ 0                             | \$ 12,561                         |
| 22   | 321     | S & I-Plant                      | 522,767                      | 0             | P-16       | 0                                | 522,767                           |
| 23   | 321.1   | S & I-Pumps (STL)                |                              | 0             | P-17       | 0                                | 0                                 |
| 24   | 321.2   | S & I-Boosters                   |                              | 0             | P-18       | 0                                | 0                                 |
| 25   | 322     | Boiler Equipment                 | 348                          | 0             | P-19       | 0                                | 348                               |
| 26   | 323     | Other Power Prod. Equip.         | 69,359                       | 0             | P-20       | 0                                | 69,359                            |
| 27   | 324     | Steam Pumping Equipment          | 6,907                        | 0             | P-21       | 0                                | 6,907                             |
| 28   | 325.1   | Electric Pumping Equipment       | 2,391,994                    | 0             | P-22       | 0                                | 2,391,994                         |
| 29   | 325.2   | Pumping Equipment-Pre '46        |                              | 0             | P-23       | 0                                | 0                                 |
| 30   | 325.3   | Pumping Equipment-Post '46       |                              | 0             | P-24       | 0                                | 0                                 |
| 31   | 325     | Pumping Equipment-Booster        |                              | 0             | P-25       | 0                                | 0                                 |
| 32   | 326     | Diesel Pumping Equipment         | 132,189                      | 0             | P-26       | 0                                | 132,189                           |
| 33   | 326     | Dsl Pump Equip-Stratman          |                              | 0             | P-27       | 0                                | 0                                 |
| 34   | 326     | Dsl Pump Equip-Central Plant     |                              | 0             | P-28       | 0                                | 0                                 |
| 35   | 327     | Pump Equip Hydraulic             |                              | 0             | P-29       | 0                                | 0                                 |
| 36   | 328     | Other Pumping Equipment          | 251,379                      | 0             | P-30       | 0                                | 251,379                           |
| 37   |         | Total Pumping                    | \$ 3,387,504                 | \$ 0          |            | \$ 0                             | \$ 3,387,504                      |
| 38   |         | Water Treatment Plant            |                              |               |            |                                  |                                   |
| 39   | 330     | Land & Land Rights               | \$ 11,715                    | \$ 0          | P-31       | \$ 0                             | \$ 11,715                         |
| 40   | 331     | Structures & Improvements        | 827,541                      | 0             | P-32       | 0                                | 827,541                           |
| 41   | 331     | S & I - North Plant              |                              | 0             | P-33       | 0                                | 0                                 |
| 42   | 331     | S & I-Central 1 & 2              |                              | 0             | P-34       | 0                                | 0                                 |
| 43   | 331     | S & I-Central 3                  |                              | 0             | P-35       | 0                                | 0                                 |
| 44   | 331     | S & I-South Plant                |                              | 0             | P-36       | 0                                | 0                                 |
| 45   | 331     | S & I-Meramec                    |                              | 0             | P-37       | 0                                | 0                                 |
| 46   | 332     | WT Equip Non-Media               | 2,389,333                    | 0             | P-38       | 0                                | 2,389,333                         |
| 47   | 332     | WT Equip-North Plant             |                              | 0             | P-39       | 0                                | 0                                 |

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Plant In Service

Joplin

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|-------------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                |                                     |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 48   | 332            | WT Equip-Central 1 & 2              |                              | 0             | P-40       | 0                                | 0                                 |
| 49   | 332            | WT Equip-Central 3                  |                              | 0             | P-41       | 0                                | 0                                 |
| 50   | 332            | WT Equip-South Plant                |                              | 0             | P-42       | 0                                | 0                                 |
| 51   | 332            | WT Equip-Meramac                    |                              | 0             | P-43       | 0                                | 0                                 |
| 52   | 332            | Other P/E Hand Equipment            | 8,445                        | 0             | P-44       | 0                                | 8,445                             |
| 53   | 332.4          | Equipment Filter Media              | 182,148                      | 0             | P-45       | 0                                | 182,148                           |
| 54   |                | Total Water Treatment Plant         | \$ 3,419,182                 | \$ 0          |            | \$ 0                             | \$ 3,419,182                      |
| 55   |                | Transmission & Distribution         |                              |               |            |                                  |                                   |
| 56   | 340            | Land & Land Rights                  | \$ 27,039                    | \$ 0          | P-46       | \$ 0                             | \$ 27,039                         |
| 57   | 341            | Structures & Improvements           | 418,511                      | 0             | P-47       | 0                                | 418,511                           |
| 58   | 341.63         | S & I-Spec Cross                    |                              | 0             | P-48       | 0                                | 0                                 |
| 59   | 342            | Distr. Res. & Standpipes            | 2,460,339                    | 0             | P-49       | 0                                | 2,460,339                         |
| 60   | 342            | Rsvr & Standpipe-Elev               | 2,753,231                    | 0             | P-50       | 0                                | 2,753,231                         |
| 61   | 342            | Rsvr & Standpipe-Ground             | 3,570                        | 0             | P-51       | 0                                | 3,570                             |
| 62   | 343            | T & D Mains (Not Classified)        |                              | 0             | P-52       | 0                                | 0                                 |
| 63   | 343.1          | T & D Mains - 4" & Less             | 1,915,916                    | 0             | P-53       | 0                                | 1,915,916                         |
| 64   | 343.1          | T & D Mains AC 4 (STL)              |                              | 0             | P-54       | 0                                | 0                                 |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            |                              | 0             | P-55       | 0                                | 0                                 |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 17,841,817                   | 0             | P-56       | 0                                | 17,841,817                        |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          |                              | 0             | P-57       | 0                                | 0                                 |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          |                              | 0             | P-58       | 0                                | 0                                 |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          |                              | 0             | P-59       | 0                                | 0                                 |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          |                              | 0             | P-60       | 0                                | 0                                 |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         |                              | 0             | P-61       | 0                                | 0                                 |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         |                              | 0             | P-62       | 0                                | 0                                 |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 11,248,217                   | 0             | P-63       | 0                                | 11,248,217                        |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 923,174                      | 0             | P-64       | 0                                | 923,174                           |
| 75   | 343.3          | CI-12" (STL)                        |                              | 0             | P-65       | 0                                | 0                                 |
| 76   | 343.3          | CI-16" (STL)                        |                              | 0             | P-66       | 0                                | 0                                 |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           |                              | 0             | P-66       | 0                                | 0                                 |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) |                              | 0             | P-67       | 0                                | 0                                 |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           |                              | 0             | P-68       | 0                                | 0                                 |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           |                              | 0             | P-69       | 0                                | 0                                 |
| 81   | 344            | Fire Mains                          |                              | 0             | P-70       | 0                                | 0                                 |
| 82   | 345            | Services                            | 7,799,555                    | 0             | P-71       | 0                                | 7,799,555                         |
| 83   | 346.1          | Meters-Bronze Case                  | 445,160                      | 0             | P-72       | 0                                | 445,160                           |
| 84   | 346.2          | Meters-Plastic Case                 | 10,232                       | 0             | P-73       | 0                                | 10,232                            |
| 85   | 346.3          | Meters-Other                        | 144,361                      | 0             | P-74       | 0                                | 144,361                           |
| 86   | 346.3          | Meters-Remote (ARB's)               |                              | 0             | P-75       | 0                                | 0                                 |
| 87   | 347.1          | Meter Install                       | 3,316,522                    | 0             | P-76       | 0                                | 3,316,522                         |
| 88   | 347.2          | Meter Install-Other                 |                              | 0             | P-77       | 0                                | 0                                 |
| 89   | 348            | Hydrants                            | 818,714                      | 0             | P-78       | 0                                | 818,714                           |
| 90   | 349            | Other T&D Plant                     |                              | 0             | P-79       | 0                                | 0                                 |
| 91   |                | Total Transmission & Distribution   | \$ 50,126,358                | \$ 0          |            | \$ 0                             | \$ 50,126,358                     |

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**Plant In Service**

Joplin

| Line | A/C No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|---------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |         |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 92   |         | Sewer Plant                      |                              |               |            |                                  |                                   |
| 93   | 351     | Structures & Improvements        | \$                           | \$            | 0 P-80     | \$                               | \$                                |
| 94   | 352.1   | Collection Sewers Forced         |                              | 0             | P-81       | 0                                | 0                                 |
| 95   | 352.2   | Collecting Mains                 |                              | 0             | P-82       | 0                                | 0                                 |
| 96   | 352.2   | Collecting Mains Other           |                              | 0             | P-83       | 0                                | 0                                 |
| 97   | 353     | Service to Customers             |                              | 0             | P-84       | 0                                | 0                                 |
| 98   | 363     | Electric Pumping Equipment       |                              | 0             | P-85       | 0                                | 0                                 |
| 99   | 370.1   | Land & Land Rights               |                              | 0             | P-86       | 0                                | 0                                 |
| 100  | 372     | T&D Equipment                    |                              | 0             | P-87       | 0                                | 0                                 |
| 101  | 372     | T&D Equipment Influent Lift      |                              | 0             | P-88       | 0                                | 0                                 |
| 102  | 374     | Outfall Sewer Lines              |                              | 0             | P-89       | 0                                | 0                                 |
| 103  |         | Total Sewer Plant                | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 104  |         | General Plant                    |                              |               |            |                                  |                                   |
| 105  | 389     | Land & Land Rights               | \$ 717                       | \$ 0          | P-90       | \$ 0                             | \$ 717                            |
| 106  | 390     | S&I-Store, Shop & Garage         | 33,552                       | 0             | P-91       | 0                                | 33,552                            |
| 107  | 390.1   | S & I-Offices                    | 0                            | 0             | P-92       | 0                                | 0                                 |
| 108  | 390.1   | S & I-Leasehold                  | 5,796                        | 0             | P-93       | 0                                | 5,796                             |
| 109  | 390.1   | S & I-Leasehold - SCADA          |                              | 0             | P-94       | 0                                | 0                                 |
| 110  | 390.3   | S&I-Misc                         | 81,089                       | 0             | P-95       | 0                                | 81,089                            |
| 111  | 391     | Office Furniture and Equipment   | 43,618                       | 0             | P-96       | 47,476                           | 91,094                            |
| 112  | 391.2   | Computers & Peripheral Equipment | 177,068                      | 0             | P-97       | 145,541                          | 322,609                           |
| 113  | 391.25  | Computer Software                |                              | 0             | P-98       | 382,844                          | 382,844                           |
| 114  | 391.26  | Computer Software Personal       | 2,627                        | 0             | P-99       | 7,424                            | 10,051                            |
| 115  | 391.3   | Data Handling Equipment          | 4,332                        | 0             | P-100      | 0                                | 4,332                             |
| 116  | 391.3   | Other Office Equipment           | 28,010                       | 0             | P-101      | 895                              | 28,905                            |
| 117  | 392.11  | Trans Equipment-Lt Duty Trucks   | 125,634                      | 0             | P-102      | 2,552                            | 128,186                           |
| 118  | 392.12  | Trans Equipment-Hvy Duty Trucks  | 9,581                        | 0             | P-103      | 0                                | 9,581                             |
| 119  | 392.2   | Trans Equipment-Autos            | 20,945                       | 0             | P-104      | 9,430                            | 30,375                            |
| 120  | 392.3   | Trans Equipment Other            | 53,392                       | 0             | P-105      | 0                                | 53,392                            |
| 121  | 393     | Stores Equipment                 | 7,447                        | 0             | P-106      | 0                                | 7,447                             |
| 122  | 394     | Tools, Shop & Garage Equipment   | 547,115                      | 0             | P-107      | 1,042                            | 548,157                           |
| 123  | 394     | Tools, Shop & Garage Equip Other |                              | 0             | P-108      | 0                                | 0                                 |
| 124  | 395     | Laboratory Equipment             | 62,423                       | 0             | P-109      | 0                                | 62,423                            |
| 125  | 395     | Laboratory Equipment Other       |                              | 0             | P-110      | 0                                | 0                                 |
| 126  | 396     | Power Operated Equipment         | 177,464                      | 0             | P-111      | 0                                | 177,464                           |
| 127  | 397     | Comm Equipment-Non-Tele          | 49,946                       | 0             | P-112      | 141                              | 50,087                            |
| 128  | 397.2   | Comm Equipment-Tele              |                              | 0             | P-113      | 2,204                            | 2,204                             |
| 129  | 398     | Miscellaneous                    | 56,147                       | 0             | P-114      | 682                              | 56,829                            |
| 130  | 399     | Other Tangible Property          |                              | 0             | P-115      | 0                                | 0                                 |
| 131  |         | Total General Plant              | \$ 1,486,903                 | \$ 0          |            | \$ 600,230                       | \$ 2,087,133                      |
| 132  |         | <b>Total Plant In Service</b>    | <b>\$ 65,094,413</b>         | <b>\$ 0</b>   |            | <b>\$ 629,529</b>                | <b>\$ 65,723,942</b>              |

Missouri-American Water Company  
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**Adjustments To Plant In Service**

Joplin

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

Joplin

| Line | A/C No.<br>(A) | Plant Title<br>(B)               | Balance<br>12/31/2006<br>(C) | Adjustments<br>(D) |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|----------------|----------------------------------|------------------------------|--------------------|------------|----------------------------------|-----------------------------------|
|      |                |                                  |                              | Amount             | No.<br>(E) |                                  |                                   |
| 1    |                | Intangible                       |                              |                    |            |                                  |                                   |
| 2    | 301            | Organization                     | \$                           | \$ 0               | R-1        | \$ 0                             | \$ 0                              |
| 3    | 302            | Franchise & Consents             |                              | 0                  | R-2        | 0                                | 0                                 |
| 4    | 303            | Miscellaneous Intangible         |                              | 0                  | R-3        | 21,453                           | 21,453                            |
| 5    |                | Total Intangible                 | \$ 0                         | \$ 0               |            | \$ 21,453                        | \$ 21,453                         |
| 6    |                | Source of Supply                 |                              |                    |            |                                  |                                   |
| 7    | 310            | Land & Land Rights               | \$                           | \$ 0               | R-4        | \$ 0                             | \$ 0                              |
| 8    | 311            | Structures & Improvements        | 90,995                       | 0                  | R-5        | 0                                | 90,995                            |
| 9    | 312            | Collecting & Impounding Res      | 82,837                       | 0                  | R-6        | 0                                | 82,837                            |
| 10   | 313            | Lake, River & Other Intakes      | 37,035                       | 0                  | R-7        | 0                                | 37,035                            |
| 11   | 314            | Wells & Springs                  | 373,062                      | 0                  | R-8        | 0                                | 373,062                           |
| 12   | 315            | Infiltration Galleries & Tunnels |                              | 0                  | R-9        | 0                                | 0                                 |
| 13   | 316            | Supply Mains                     | 250,722                      | 0                  | R-9        | 0                                | 250,722                           |
| 14   | 316            | Supply Mains-North Plant         |                              | 0                  | R-10       | 0                                | 0                                 |
| 15   | 316            | Supply Mains-Central Plant       |                              | 0                  | R-11       | 0                                | 0                                 |
| 16   | 316            | Supply Mains-South Plant         |                              | 0                  | R-12       | 0                                | 0                                 |
| 17   | 316            | Supply Mains-Meramec Plant       |                              | 0                  | R-13       | 0                                | 0                                 |
| 18   | 317            | Other Source of Supply Plant     |                              | 0                  | R-14       | 0                                | 0                                 |
| 19   |                | Total Source of Supply           | \$ 834,651                   | \$ 0               |            | \$ 0                             | \$ 834,651                        |
| 20   |                | Pumping                          |                              |                    |            |                                  |                                   |
| 21   | 320            | Land & Land Rights               | \$                           | \$ 0               | R-15       | \$ 0                             | \$ 0                              |
| 22   | 321            | S & I-Plant                      | 190,030                      | 0                  | R-16       | 0                                | 190,030                           |
| 23   | 321.1          | S & I-Pumps (STL)                |                              | 0                  | R-17       | 0                                | 0                                 |
| 24   | 321.2          | S & I-Boosters                   |                              | 0                  | R-18       | 0                                | 0                                 |
| 25   | 322            | Boiler Equipment                 |                              | 0                  | R-19       | 0                                | 0                                 |
| 26   | 323            | Other Power Prod. Equip.         | 6,786                        | 0                  | R-20       | 0                                | 6,786                             |
| 27   | 324            | Steam Pumping Equipment          |                              | 0                  | R-21       | 0                                | 0                                 |
| 28   | 325.1          | Electric Pumping Equipment       | 900,224                      | 0                  | R-22       | 0                                | 900,224                           |
| 29   | 325.2          | Pumping Equipment-Pre '46        |                              | 0                  | R-23       | 0                                | 0                                 |
| 30   | 325.3          | Pumping Equipment-Post '46       |                              | 0                  | R-24       | 0                                | 0                                 |
| 31   | 325            | Pumping Equipment-Booster        |                              | 0                  | R-25       | 0                                | 0                                 |
| 32   | 326            | Diesel Pumping Equipment         | 30,388                       | 0                  | R-26       | 0                                | 30,388                            |
| 33   | 326            | Dsl Pump Equip-Stratman          |                              | 0                  | R-27       | 0                                | 0                                 |
| 34   | 326            | Dsl Pump Equip-Central Plant     |                              | 0                  | R-28       | 0                                | 0                                 |
| 35   | 327            | Pump Equip Hydraulic             |                              | 0                  | R-29       | 0                                | 0                                 |
| 36   | 328            | Other Pumping Equipment          | 105,639                      | 0                  | R-30       | 0                                | 105,639                           |
| 37   |                | Total Pumping                    | \$ 1,233,067                 | \$ 0               |            | \$ 0                             | \$ 1,233,067                      |
| 38   |                | Water Treatment Plant            |                              |                    |            |                                  |                                   |
| 39   | 330            | Land & Land Rights               | \$                           | \$ 0               | R-31       | \$ 0                             | \$ 0                              |
| 40   | 331            | Structures & Improvements        | 182,275                      | 0                  | R-32       | 0                                | 182,275                           |
| 41   | 331            | S & I - North Plant              |                              | 0                  | R-33       | 0                                | 0                                 |
| 42   | 331            | S & I-Central 1 & 2              |                              | 0                  | R-34       | 0                                | 0                                 |
| 43   | 331            | S & I-Central 3                  |                              | 0                  | R-35       | 0                                | 0                                 |
| 44   | 331            | S & I-South Plant                |                              | 0                  | R-36       | 0                                | 0                                 |
| 45   | 331            | S & I-Meramac                    |                              | 0                  | R-37       | 0                                | 0                                 |
| 46   | 332            | WT Equip Non-Media               | 851,360                      | 0                  | R-38       | 0                                | 851,360                           |
| 47   | 332            | WT Equip-North Plant             |                              | 0                  | R-39       | 0                                | 0                                 |



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Depreciation Reserve

Joplin

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments<br>(D) |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)-(F)<br>(G) |
|------|----------------|-------------------------------------|------------------------------|--------------------|------------|----------------------------------|-----------------------------------|
|      |                |                                     |                              | Amount             | No.<br>(E) |                                  |                                   |
| 48   | 332            | WT Equip-Central 1 & 2              |                              | 0                  | R-40       | 0                                | 0                                 |
| 49   | 332            | WT Equip-Central 3                  |                              | 0                  | R-41       | 0                                | 0                                 |
| 50   | 332            | WT Equip-South Plant                |                              | 0                  | R-42       | 0                                | 0                                 |
| 51   | 332            | WT Equip-Meramac                    |                              | 0                  | R-43       | 0                                | 0                                 |
| 52   | 332            | Other P/E Hand Equipment            | 248                          | 0                  | R-44       | 0                                | 248                               |
| 53   | 332.4          | Equipment Filter Media              | 1,292                        | 0                  | R-45       | 0                                | 1,292                             |
| 54   |                | Total Water Treatment Plant         | \$ 1,035,175                 | \$ 0               |            | \$ 0                             | \$ 1,035,175                      |
| 55   |                | Transmission & Distribution         |                              |                    |            |                                  |                                   |
| 56   | 340            | Land & Land Rights                  | \$                           | \$ 0               | R-46       | \$ 0                             | \$ 0                              |
| 57   | 341            | Structures & Improvements           | 25,119                       | 0                  | R-47       | 0                                | 25,119                            |
| 58   | 341.63         | S & I-Spec Cross                    |                              | 0                  | R-48       | 0                                | 0                                 |
| 59   | 342            | Distr. Res. & Standpipes            | 706,813                      | 0                  | R-49       | 0                                | 706,813                           |
| 60   | 342            | Rsvr & Standpipe-Elev               | 121,512                      | 0                  | R-50       | 0                                | 121,512                           |
| 61   | 342            | Rsvr & Standpipe-Ground             | 35                           | 0                  | R-51       | 0                                | 35                                |
| 62   | 343            | T & D Mains (Not Classified)        | 3,456,061                    | 0                  | R-52       | 0                                | 3,456,061                         |
| 63   | 343.1          | T & D Mains - 4" & Less             | 52,675                       | 0                  | R-53       | 0                                | 52,675                            |
| 64   | 343.1          | T & D Mains AC 4 (STL)              |                              | 0                  | R-54       | 0                                | 0                                 |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            |                              | 0                  | R-55       | 0                                | 0                                 |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 581,994                      | 0                  | R-56       | 0                                | 581,994                           |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          |                              | 0                  | R-57       | 0                                | 0                                 |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          |                              | 0                  | R-58       | 0                                | 0                                 |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          |                              | 0                  | R-59       | 0                                | 0                                 |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          |                              | 0                  | R-60       | 0                                | 0                                 |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         |                              | 0                  | R-61       | 0                                | 0                                 |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         |                              | 0                  | R-62       | 0                                | 0                                 |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 394,484                      | 0                  | R-63       | 0                                | 394,484                           |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 45,444                       | 0                  | R-64       | 0                                | 45,444                            |
| 75   | 343.3          | CI-12" (STL)                        |                              | 0                  | R-65       | 0                                | 0                                 |
| 76   | 343.3          | CI-16" (STL)                        |                              | 0                  | R-66       | 0                                | 0                                 |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           |                              | 0                  | R-66       | 0                                | 0                                 |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) |                              | 0                  | R-67       | 0                                | 0                                 |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           |                              | 0                  | R-68       | 0                                | 0                                 |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           |                              | 0                  | R-69       | 0                                | 0                                 |
| 81   | 344            | Fire Mains                          |                              | 0                  | R-70       | 0                                | 0                                 |
| 82   | 345            | Services                            | 1,772,513                    | 0                  | R-71       | 0                                | 1,772,513                         |
| 83   | 346.1          | Meters-Bronze Case                  | (104,443)                    | 0                  | R-72       | 0                                | (104,443)                         |
| 84   | 346.2          | Meters-Plastic Case                 | (2,137)                      | 0                  | R-73       | 0                                | (2,137)                           |
| 85   | 346.3          | Meters-Other                        | 99,020                       | 0                  | R-74       | 0                                | 99,020                            |
| 86   | 346.3          | Meters-Remote (ARB's)               |                              | 0                  | R-75       | 0                                | 0                                 |
| 87   | 347.1          | Meter Install                       | 676,309                      | 0                  | R-76       | 0                                | 676,309                           |
| 88   | 347.2          | Meter Install-Other                 |                              | 0                  | R-77       | 0                                | 0                                 |
| 89   | 348            | Hydrants                            | 164,051                      | 0                  | R-78       | 0                                | 164,051                           |
| 90   | 349            | Other T&D Plant                     | 868                          | 0                  | R-79       | 0                                | 868                               |
| 91   |                | Total Transmission & Distribution   | \$ 7,990,318                 | \$ 0               |            | \$ 0                             | \$ 7,990,318                      |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

Joplin

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-------------------|-----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                   |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 92   |                   | Sewer Plant                       |                              |               |            |                                  |                                   |
| 93   | 351.0             | Structures & Improvements         | \$                           | \$            | 0 R-80     | \$ 0                             | \$ 0                              |
| 94   | 352.1             | Collection Sewers Forced          |                              |               | 0 R-81     | 0                                | 0                                 |
| 95   | 352.2             | Collecting Mains                  |                              |               | 0 R-82     | 0                                | 0                                 |
| 96   | 352.2             | Collecting Mains Other            |                              |               | 0 R-83     | 0                                | 0                                 |
| 97   | 353.0             | Service to Customers              |                              |               | 0 R-84     | 0                                | 0                                 |
| 98   | 363.0             | Electric Pumping Equipment        |                              |               | 0 R-85     | 0                                | 0                                 |
| 99   | 370.1             | Land & Land Rights                |                              |               | 0 R-86     | 0                                | 0                                 |
| 100  | 372               | T&D Equipment                     |                              |               | 0 R-87     | 0                                | 0                                 |
| 101  | 372.0             | T&D Equipment Influent Lift       |                              |               | 0 R-88     | 0                                | 0                                 |
| 102  | 374               | Outfall Sewer Lines               |                              |               | 0 R-89     | 0                                | 0                                 |
| 103  |                   | Total Sewer Plant                 | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 104  |                   | General Plant                     |                              |               |            |                                  |                                   |
| 105  | 389               | Land & Land Rights                | \$                           | \$            | 0 R-90     | \$ 0                             | \$ 0                              |
| 106  | 390               | S&I-Store, Shop & Garage          | 3,001                        | 0             | R-91       | 0                                | 3,001                             |
| 107  | 390.1             | S & I-Offices                     | 81,327                       | 0             | R-92       | (10,114)                         | 71,213                            |
| 108  | 390.1             | S & I-Leasehold                   | 785                          | 0             | R-93       | 0                                | 785                               |
| 109  | 390.1             | S & I-Leasehold - SCADA           |                              | 0             | R-94       | 0                                | 0                                 |
| 110  | 390.3             | S&I-Misc                          | 2,083                        | 0             | R-95       | 0                                | 2,083                             |
| 111  | 391               | Office Furniture and Equipment    | 53,741                       | 0             | R-96       | (1,387)                          | 52,354                            |
| 112  | 391.2             | Computers & Peripheral Equipment  | (14,012)                     | 0             | R-97       | 7,546                            | (6,466)                           |
| 113  | 391.25            | Computer Software                 |                              | 0             | R-98       | 163,317                          | 163,317                           |
| 114  | 391.26            | Computer Software Personal        | (2,482)                      | 0             | R-99       | 1,584                            | (898)                             |
| 115  | 391.3             | Data Handling Equipment           | 125                          | 0             | R-100      | 0                                | 125                               |
| 116  | 391.3             | Other Office Equipment            | 6,167                        | 0             | R-101      | 561                              | 6,728                             |
| 117  | 392.11            | Trans Equipment-Lt Duty Trucks    | 268,376                      | 0             | R-102      | 3,912                            | 272,288                           |
| 118  | 392.12            | Trans Equipment-Hvy Duty Trucks   | 2,349                        | 0             | R-103      | 0                                | 2,349                             |
| 119  | 392.2             | Trans Equipment-Autos             | 7,848                        | 0             | R-104      | 7,677                            | 15,525                            |
| 120  | 392.3             | Trans Equipment Other             | (2,918)                      | 0             | R-105      | 0                                | (2,918)                           |
| 121  | 393               | Stores Equipment                  | 9,298                        | 0             | R-106      | 0                                | 9,298                             |
| 122  | 394               | Tools, Shop & Garage Equipment    | 186,317                      | 0             | R-107      | 329                              | 186,646                           |
| 123  | 394               | Tools, Shop & Garage Equip Other  |                              | 0             | R-108      | 0                                | 0                                 |
| 124  | 395               | Laboratory Equipment              | (23,775)                     | 0             | R-109      | 0                                | (23,775)                          |
| 125  | 395               | Laboratory Equipment Other        |                              | 0             | R-110      | 0                                | 0                                 |
| 126  | 396               | Power Operated Equipment          | 145,064                      | 0             | R-111      | 0                                | 145,064                           |
| 127  | 397               | Comm Equipment-Non-Tele           | 10,789                       | 0             | R-112      | 717                              | 11,506                            |
| 128  | 397.2             | Comm Equipment-Tele               | 32,591                       | 0             | R-113      | 890                              | 33,481                            |
| 129  | 398               | Miscellaneous                     | 19,627                       | 0             | R-114      | 196                              | 19,823                            |
| 130  | 399               | Other Tangible Property           |                              | 0             | R-115      | 0                                | 0                                 |
| 131  |                   | Total General Plant               | \$ 786,301                   | \$ 0          |            | \$ 175,229                       | \$ 961,530                        |
| 132  |                   | Not Classified                    | 1,704                        | 0             | R-116      | 0                                | 1,704                             |
| 133  |                   | <b>Total Depreciation Reserve</b> | <b>\$ 11,881,216</b>         | <b>\$ 0</b>   |            | <b>\$ 196,683</b>                | <b>\$ 12,077,899</b>              |

Missouri-American Water Company  
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**Adjustments To Reserve**

Joplin

**NO ADJUSTMENTS**

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

Joplin

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)               | District<br>Specific Plant<br>(Acqg Sch 3)<br>(C) | Depreciation<br>Rate<br>(D) | District<br>Specific<br>Depreciation<br>(E) | Corporate<br>Depreciation<br>Distribution<br>(F) | Total District<br>Depreciation<br>(G) |
|------|-------------------|----------------------------------|---|-----------------------------|---|--|---------------------------------------|
| 1    |                   | Intangible                       |   |                             |   |  |                                       |
| 2    | 301               | Organization                     | \$ 0  | 0.00%                       | \$ 0  | \$ 0   | \$ 0                                  |
| 3    | 302               | Franchise & Consents             | 20,740  | 0.00%                       | 0   | 0  | 0                                     |
| 4    | 303               | Miscellaneous Intangible         | 46,204  | 0.00%                       | 0   | 0  | 0                                     |
| 5    |                   | Total Intangible                 | \$ 66,944   |                             | \$ 0  | \$ 0   | \$ 0                                  |
| 6    |                   | Source of Supply                 |   |                             |   |  |                                       |
| 7    | 310               | Land & Land Rights               | \$ 146,949  | 0.00%                       | \$ 0  | \$ 0   | \$ 0                                  |
| 8    | 311               | Structures & Improvements        | 2,247,667   | 2.45%                       | 55,068                                      | 0  | 55,068                                |
| 9    | 312               | Collecting & Impounding Res      | 110,883   | 1.25%                       | 1,386                                       | 0  | 1,386                                 |
| 10   | 313               | Lake, River & Other Intakes      | 52,654  | 1.77%                       | 932   | 0  | 932                                   |
| 11   | 314               | Wells & Springs                  | 3,706,315   | 1.67%                       | 61,895                                      | 0  | 61,895                                |
| 12   | 315               | Infiltration Galleries & Tunnels | 0   | 1.67%                       | 0   | 0  | 0                                     |
| 13   | 316               | Supply Mains                     | 343,054   | 1.60%                       | 5,489                                       | 0  | 5,489                                 |
| 14   | 316               | Supply Mains-North Plant         | 0   | 1.60%                       | 0   | 0  | 0                                     |
| 15   | 316               | Supply Mains-Central Plant       | 0   | 1.60%                       | 0   | 0  | 0                                     |
| 16   | 316               | Supply Mains-South Plant         | 0   | 1.60%                       | 0   | 0  | 0                                     |
| 17   | 316               | Supply Mains-Meramec Plant       | 0   | 1.60%                       | 0   | 0  | 0                                     |
| 18   | 317               | Other Source of Supply Plant     | 0   | 4.00%                       | 0   | 0  | 0                                     |
| 19   |                   | Total Source of Supply           | \$ 6,607,522                                      |                             | \$ 124,770                                  | \$ 0   | \$ 124,770                            |
| 20   |                   | Pumping                          |   |                             |   |  |                                       |
| 21   | 320               | Land & Land Rights               | \$ 12,561   | 0.00%                       | \$ 0  | \$ 0   | \$ 0                                  |
| 22   | 321               | S & I-Plant                      | 522,767   | 1.73%                       | 9,044                                       | 0  | 9,044                                 |
| 23   | 321.1             | S & I-Pumps (STL)                | 0   | 1.73%                       | 0   | 0  | 0                                     |
| 24   | 321.2             | S & I-Boosters                   | 0   | 1.73%                       | 0   | 0  | 0                                     |
| 25   | 322               | Boiler Equipment                 | 348   | 2.00%                       | 7   | 0  | 7                                     |
| 26   | 323               | Other Power Prod. Equip.         | 69,359  | 2.00%                       | 1,387                                       | 0  | 1,387                                 |
| 27   | 324               | Steam Pumping Equipment          | 6,907   | 0.00%                       | 0   | 0  | 0                                     |
| 28   | 325.1             | Electric Pumping Equipment       | 2,391,994   | 2.44%                       | 58,365                                      | 0  | 58,365                                |
| 29   | 325.2             | Pumping Equipment-Pre '46        | 0   | 2.44%                       | 0   | 0  | 0                                     |
| 30   | 325.3             | Pumping Equipment-Post '46       | 0   | 2.44%                       | 0   | 0  | 0                                     |
| 31   | 325               | Pumping Equipment-Booster        | 0   | 2.44%                       | 0   | 0  | 0                                     |
| 32   | 326               | Diesel Pumping Equipment         | 132,189   | 2.44%                       | 3,225                                       | 0  | 3,225                                 |
| 33   | 326               | Dsl Pump Equip-Stratman          | 0   | 2.44%                       | 0   | 0  | 0                                     |
| 34   | 326               | Dsl Pump Equip-Central Plant     | 0   | 2.44%                       | 0   | 0  | 0                                     |
| 35   | 327               | Pump Equip Hydraulic             | 0   | 2.44%                       | 0   | 0  | 0                                     |
| 36   | 328               | Other Pumping Equipment          | 251,379   | 2.44%                       | 6,134                                       | 0  | 6,134                                 |
| 37   |                   | Total Pumping                    | \$ 3,387,504                                      |                             | \$ 78,162                                   | \$ 0   | \$ 78,162                             |
| 38   |                   | Water Treatment Plant            |   |                             |   |  |                                       |
| 39   | 330               | Land & Land Rights               | \$ 11,715   | 0.00%                       | \$ 0  | \$ 0   | \$ 0                                  |
| 40   | 331               | Structures & Improvements        | 827,541   | 1.63%                       | 13,489                                      | 0  | 13,489                                |
| 41   | 331               | S & I - North Plant              | 0   | 1.63%                       | 0   | 0  | 0                                     |
| 42   | 331               | S & I-Central 1 & 2              | 0   | 1.63%                       | 0   | 0  | 0                                     |
| 43   | 331               | S & I-Central 3                  | 0   | 1.63%                       | 0   | 0  | 0                                     |
| 44   | 331               | S & I-South Plant                | 0   | 1.63%                       | 0   | 0  | 0                                     |
| 45   | 331               | S & I-Meramec                    | 0   | 1.63%                       | 0   | 0  | 0                                     |
| 46   | 332               | WT Equip Non-Media               | 2,389,333   | 2.78%                       | 66,423                                      | 0  | 66,423                                |
| 47   | 332               | WT Equip-North Plant             | 0   | 2.78%                       | 0   | 0  | 0                                     |
| 48   | 332               | WT Equip-Central 1 & 2           | 0   | 2.78%                       | 0   | 0  | 0                                     |
| 49   | 332               | WT Equip-Central 3               | 0   | 2.78%                       | 0   | 0  | 0                                     |
| 50   | 332               | WT Equip-South Plant             | 0   | 2.78%                       | 0   | 0  | 0                                     |
| 51   | 332               | WT Equip-Meramec                 | 0   | 2.78%                       | 0   | 0  | 0                                     |
| 52   | 332               | Other P/E Hand Equipment         | 8,445   | 3.33%                       | 281   | 0  | 281                                   |
| 53   | 332.4             | Equipment Filter Media           | 182,148   | 2.78%                       | 5,064                                       | 0  | 5,064                                 |
| 54   |                   | Total Water Treatment Plant      | \$ 3,419,182                                      |                             | \$ 85,257                                   | \$ 0   | \$ 85,257                             |

Missouri-American Water Company  
Case No. WR-2007-0216  
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Depreciation Expense

| Line | A/C No. | Plant Title                         | District Specific Plant<br>(A/csg. Sub J) | Depreciation Rate | Joplin                         |      | Corporate Depreciation Distribution | Total District Depreciation |
|------|---------|-------------------------------------|---|-------------------|--------------------------------|------|-------------------------------------|-----------------------------|
|      |         |                                     |   |                   | District Specific Depreciation |      |                                     |                             |
|      | (A)     | (B)                                 | (C)                                       | (D)               | (E)                            |      | (F)                                 | (G)                         |
| 55   |         | Transmission & Distribution         |   |                   |                                |      |                                     |                             |
| 56   | 340     | Land & Land Rights                  | \$ 27,039                                 | 0.00%             | \$ 0                           | \$ 0 | \$ 0                                | 0                           |
| 57   | 341     | Structures & Improvements           | 418,511                                   | 2.67%             | 11,174                         | 0    | 11,174                              |                             |
| 58   | 341.63  | S & I-Spec Cross                    | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 59   | 342     | Distr. Res. & Standpipes            | 2,460,339                                 | 2.25%             | 55,358                         | 0    | 55,358                              |                             |
| 60   | 342     | Rsvr & Standpipe-Elev               | 2,753,231                                 | 2.25%             | 61,948                         | 0    | 61,948                              |                             |
| 61   | 342     | Rsvr & Standpipe-Ground             | 3,570                                     | 2.25%             | 80                             | 0    | 80                                  |                             |
| 62   | 343     | T & D Mains (Not Classified)        | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 63   | 343.1   | T & D Mains - 4" & Less             | 1,915,916                                 | 1.50%             | 28,739                         | 0    | 28,739                              |                             |
| 64   | 343.1   | T & D Mains AC 4 (STL)              | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 65   | 343.1   | T & D Mains Galv 1 (STL)            | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 66   | 343.2   | T & D Mains - 6" to 8"              | 17,841,817                                | 1.50%             | 267,627                        | 0    | 267,627                             |                             |
| 67   | 343.2   | CI-10" & Smaller-1900-1928          | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 68   | 343.2   | CI-10" & Smaller 1929-1956          | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 69   | 343.2   | CI-10" & Smaller-1957-1993          | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 70   | 343.2   | T & D Mains - DI 6-8 (STL)          | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 71   | 343.2   | T & D Mains - DI 6-10" (TN)         | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 72   | 343.2   | T & D Mains - PL 6-8" (STL)         | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 73   | 343.3   | T & D Mains - 10" to 16"            | 11,248,217                                | 1.50%             | 168,723                        | 0    | 168,723                             |                             |
| 74   | 343.3   | T & D Mains - 18" & Greater         | 923,174                                   | 1.50%             | 13,848                         | 0    | 13,848                              |                             |
| 75   | 343.3   | CI-12" (STL)                        | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 76   | 343.3   | CI-16" (STL)                        | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 77   | 343.3   | T & D Mains - DI 12 (STL)           | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 78   | 343.3   | T & D Mains - DI 16 & Greater (STL) | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 79   | 343.3   | T & D Mains - LJ 20 (STL)           | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 80   | 343.3   | T & D Mains - PL 12 (STL)           | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 81   | 344     | Fire Mains                          | 0   | 1.50%             | 0                              | 0    | 0                                   |                             |
| 82   | 345     | Services                            | 7,799,555                                 | 3.08%             | 240,226                        | 0    | 240,226                             |                             |
| 83   | 346.1   | Meters-Bronze Case                  | 445,160                                   | 2.43%             | 10,817                         | 0    | 10,817                              |                             |
| 84   | 346.2   | Meters-Plastic Case                 | 10,232                                    | 2.43%             | 249                            | 0    | 249                                 |                             |
| 85   | 346.3   | Meters-Other                        | 144,361                                   | 2.43%             | 3,508                          | 0    | 3,508                               |                             |
| 86   | 346.3   | Meters-Remote (ARB's)               | 0   | 2.43%             | 0                              | 0    | 0                                   |                             |
| 87   | 347.1   | Meter Install                       | 3,316,522                                 | 2.43%             | 80,591                         | 0    | 80,591                              |                             |
| 88   | 347.2   | Meter Install-Other                 | 0   | 2.43%             | 0                              | 0    | 0                                   |                             |
| 89   | 348     | Hydrants                            | 818,714                                   | 1.92%             | 15,719                         | 0    | 15,719                              |                             |
| 90   | 349     | Other T&D Plant                     | 0   | 2.00%             | 0                              | 0    | 0                                   |                             |
| 91   |         | Total Transmission & Distribution   | \$ 50,126,358                             |                   | \$ 958,608                     | \$ 0 | \$ 958,608                          |                             |
| 92   |         | Sewer Plant                         |   |                   |                                |      |                                     |                             |
| 93   | 351.0   | Structures & Improvements           | \$ 0                                      | 0.00%             | \$ 0                           | \$ 0 | \$ 0                                | 0                           |
| 94   | 352.1   | Collection Sewers Forced            | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 95   | 352.2   | Collecting Mains                    | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 96   | 352.2   | Collecting Mains Other              | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 97   | 353.0   | Service to Customers                | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 98   | 363.0   | Electric Pumping Equipment          | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 99   | 370.1   | Land & Land Rights                  | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 100  | 372     | T&D Equipment                       | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 101  | 372.0   | T&D Equipment Influent Lift         | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 102  | 374     | Outfall Sewer Lines                 | 0   | 0.00%             | 0                              | 0    | 0                                   |                             |
| 103  |         | Total Sewer Plant                   | \$ 0                                      |                   | \$ 0                           | \$ 0 | \$ 0                                | 0                           |
| 104  |         | General Plant                       |   |                   |                                |      |                                     |                             |
| 105  | 389     | Land & Land Rights                  | \$ 717                                    | 0.00%             | \$ 0                           | \$ 0 | \$ 0                                | 0                           |
| 106  | 390     | S&I-Store, Shop & Garage            | 33,552                                    | 2.40%             | 805                            | 0    | 805                                 |                             |
| 107  | 390.1   | S & I-Offices                       | 0   | 2.40%             | 0                              | 0    | 0                                   |                             |
| 108  | 390.1   | S & I-Leasehold                     | 5,796                                     | 5.00%             | 290                            | 0    | 290                                 |                             |

Missouri-American Water Company  
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Depreciation Expense

| Line | A/C    |                                  | District<br>Specific Plant<br>(Acctg Sch 5) | Depreciation<br>Rate | Joplin                               |           | Corporate<br>Depreciation<br>Distribution | Total District<br>Depreciation |
|------|--------|----------------------------------|---|----------------------|--------------------------------------|-----------|---|--------------------------------|
|      | No.    | Plant Title                      |   |                      | District<br>Specific<br>Depreciation |           |   |                                |
|      | (A)    | (B)                              | (C)   | (D)                  | (E)                                  |           | (F)                                       | (G)                            |
| 109  | 390.1  | S & I-Leasehold - SCADA          | 0   | 5.00%                | 0                                    |           | 0   | 0                              |
| 110  | 390.3  | S&I-Misc                         | 81,089                                      | 2.40%                | 1,946                                |           | 0   | 1,946                          |
| 111  | 391    | Office Furniture and Equipment   | 43,618                                      | 4.00%                | 1,745                                |           | 1,899                                     | 3,644                          |
| 112  | 391.2  | Computers & Peripheral Equipment | 177,068                                     | 14.29%               | 25,303                               |           | 20,798                                    | 46,101                         |
| 113  | 391.25 | Computer Software                | 0   | 14.29%               | 0                                    |           | 54,708                                    | 54,708                         |
| 114  | 391.26 | Computer Software Personal       | 2,627                                       | 14.29%               | 375                                  |           | 1,061                                     | 1,436                          |
| 115  | 391.3  | Data Handling Equipment          | 4,332                                       | 6.67%                | 289                                  |           | 0   | 289                            |
| 116  | 391.3  | Other Office Equipment           | 28,010                                      | 6.67%                | 1,868                                |           | 60  | 1,928                          |
| 117  | 392.11 | Trans Equipment-Lt Duty Trucks   | 125,634                                     | 0.00%                | 0                                    |           | 0   | 0                              |
| 118  | 392.12 | Trans Equipment-Hvy Duty Trucks  | 9,581                                       | 8.33%                | 798                                  |           | 0   | 798                            |
| 119  | 392.2  | Trans Equipment-Autos            | 20,945                                      | 0.00%                | 0                                    |           | 0   | 0                              |
| 120  | 392.3  | Trans Equipment Other            | 53,392                                      | 0.00%                | 0                                    |           | 0   | 0                              |
| 121  | 393    | Stores Equipment                 | 7,447                                       | 2.86%                | 213                                  |           | 0   | 213                            |
| 122  | 394    | Tools, Shop & Garage Equipment   | 547,115                                     | 5.00%                | 27,356                               |           | 52  | 27,408                         |
| 123  | 394    | Tools, Shop & Garage Equip Other | 0   | 5.00%                | 0                                    |           | 0   | 0                              |
| 124  | 395    | Laboratory Equipment             | 62,423                                      | 4.00%                | 2,497                                |           | 0   | 2,497                          |
| 125  | 395    | Laboratory Equipment Other       | 0   | 4.00%                | 0                                    |           | 0   | 0                              |
| 126  | 396    | Power Operated Equipment         | 177,464                                     | 6.82%                | 12,103                               |           | 0   | 12,103                         |
| 127  | 397    | Comm Equipment-Non-Tele          | 49,946                                      | 5.00%                | 2,497                                |           | 7   | 2,504                          |
| 128  | 397.2  | Comm Equipment-Tele              | 0   | 6.67%                | 0                                    |           | 147                                       | 147                            |
| 129  | 398    | Miscellaneous                    | 56,147                                      | 5.00%                | 2,807                                |           | 34  | 2,841                          |
| 130  | 399    | Other Tangible Property          | 0   | 5.00%                | 0                                    |           | 0   | 0                              |
| 131  |        | Total General Plant              | \$ 1,486,903                                |                      | \$ 80,893                            | \$ 78,766 | \$ 159,659                                |                                |
| 132  |        | Total Depreciation Expense       | \$ 65,094,413                               |                      | \$ 1,327,690                         | \$ 78,766 | \$ 1,406,456                              |                                |

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**Cash Working Capital**

Joplin

| Line | Description<br>(A)   | Adjusted Test<br>Year Expenses<br>(B) | Revenue<br>Lag<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>[(C)-(D)]<br>(E) | Factor<br>[(E)/(F)]<br>(F) | Cash Working<br>Capital<br>Requirement<br>[(B)*(F)]<br>(G) |
|------|--|---------------------------------------|-----------------------|-----------------------|------------------------------------|----------------------------|--|
| 1    | Operation & Maintenance Expense  |                                       |                       |                       |                                    |                            |  |
| 2    | Base Payroll   | \$ 722,483                            | 38.64                 | 13.00                 | 25.64                              | 0.0702                     | \$ 50,718  |
| 3    | Payroll Withholdings:  |                                       |                       |                       |                                    |                            |  |
| 4    | FICA - Employee Portion  | 99,398                                | 38.64                 | 16.19                 | 22.45                              | 0.0615                     | 6,113  |
| 5    | Federal Income Taxes Withheld  | 236,942                               | 38.64                 | 16.19                 | 22.45                              | 0.0615                     | 14,572   |
| 6    | State Income Taxes Withheld  | 76,900                                | 38.64                 | 18.19                 | 20.45                              | 0.0560                     | 4,306  |
| 7    | 401(k)   | 137,734                               | 38.64                 | 38.82                 | (0.18)                             | (0.0005)                   | (69)   |
| 8    | EIP  | 10,651                                | 38.64                 | 38.82                 | (0.18)                             | (0.0005)                   | (5)  |
| 9    | Fuel & Power   | 664,147                               | 38.64                 | 37.20                 | 1.44                               | 0.0039                     | 2,590  |
| 10   | Chemicals  | 461,139                               | 38.64                 | 38.64                 | 0.00                               | 0.0000                     | 0  |
| 11   | Materials and Supplies   | 51,388                                | 38.64                 | 38.64                 | 0.00                               | 0.0000                     | 0  |
| 12   | Purchased Water  | 0                                     | 38.64                 | 42.45                 | (3.81)                             | (0.0104)                   | 0  |
| 13   | Management Fees  | 1,476,388                             | 38.64                 | 21.41                 | 17.23                              | 0.0472                     | 69,686   |
| 14   | Group Insurance  | 296,375                               | 38.64                 | (7.50)                | 46.14                              | 0.1264                     | 37,462   |
| 15   | OPEB's   | 64,522                                | 38.64                 | 3.41                  | 35.23                              | 0.0965                     | 6,226  |
| 16   | Pensions   | 181,553                               | 38.64                 | 17.58                 | 21.06                              | 0.0577                     | 10,476   |
| 17   | EIP - Employer Match   | (2,361)                               | 38.64                 | 38.82                 | (0.18)                             | (0.0005)                   | 1  |
| 18   | 401(k) - Employer Match  | 19,838                                | 38.64                 | 38.82                 | (0.18)                             | (0.0005)                   | (10)   |
| 19   | Insurance Other Than Group   | 241,905                               | 38.64                 | 42.44                 | (3.80)                             | (0.0104)                   | (2,516)  |
| 20   | Uncollectible Accounts   | 146,633                               | 38.64                 | 38.64                 | 0.00                               | 0.0000                     | 0  |
| 21   | Rents  | 33,195                                | 38.64                 | (9.96)                | 48.60                              | 0.1332                     | 4,422  |
| 22   | Cash Vouchers  | 607,210                               | 38.64                 | 21.41                 | 17.23                              | 0.0472                     | 28,660   |
| 23   | Total Operation & Maintenance Expense                                  | \$ 5,526,038                          |                       |                       |                                    |                            | \$ 232,632   |
| 24   | Taxes Other Than Income  |                                       |                       |                       |                                    |                            |  |
| 25   | FICA - Employer Portion  | 99,398                                | 38.64                 | 16.19                 | 22.45                              | 0.0615                     | \$ 6,113   |
| 26   | Federal Unemployment   | 1,523                                 | 38.64                 | 76.38                 | (37.74)                            | (0.1034)                   | (157)  |
| 27   | State Unemployment   | 3,891                                 | 38.64                 | 76.38                 | (37.74)                            | (0.1034)                   | (402)  |
| 28   | Property Taxes   | 392,649                               | 38.64                 | 182.50                | (143.86)                           | (0.3941)                   | (154,743)  |
| 29   | Franchise Tax  | 16,360                                | 38.64                 | (77.50)               | 116.14                             | 0.3182                     | 5,206  |
| 30   | PSC Assessment   | 51,931                                | 38.64                 | (31.63)               | 70.27                              | 0.1925                     | 9,997  |
| 31   | Total Taxes Other Than Income  | \$ 565,752                            |                       |                       |                                    |                            | \$ (133,986)   |
| 32   | Other Expenses   |                                       |                       |                       |                                    |                            |  |
| 33   | Gross Receipts Tax   | 401,950                               | 22.30                 | 47.37                 | (25.07)                            | (0.0687)                   | (27,614)   |
| 34   | Sales Tax  | 44,000                                | 0.00                  | 8.12                  | (8.12)                             | (0.0222)                   | (977)  |
| 35   | Missouri Primacy Fees  | 54,207                                | 22.30                 | 243.50                | (221.20)                           | (0.6060)                   | (32,849)   |
| 36   | Total Other Expenses   | \$ 500,158                            |                       |                       |                                    |                            | \$ (61,440)  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |                                       |                       |                       |                                    |                            | <b>\$ 37,206</b>   |
| 38   | Interest Expense   | \$ 917,989                            | 38.64                 | 108.85                | (70.21)                            | (0.1924)                   | \$ (176,621)   |
| 39   | Federal Income Tax   | \$ 649,640                            | 38.64                 | 37.00                 | 1.64                               | 0.0045                     | \$ 2,923   |
| 40   | State Income Tax   | \$ 102,086                            | 38.64                 | 58.95                 | (20.31)                            | (0.0556)                   | \$ (5,676)   |

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**Income Statement**

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Joplin<br>Adjustment |            | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>[(B)+(C)+(E)]<br>(F) |
|------|--------------------------------|--|----------------------|------------|--|--|
|      |                                |  | Amount<br>(C)        | No.<br>(D) |  |  |
| 1    | Operating Revenues:            |  |                      |            |  |  |
| 2    | Residential Revenue            | \$ 4,281,323                           | \$ (351,095)         | S-1        | \$ 0   | \$ 3,930,228                                     |
| 3    | Commercial Revenue             | 1,643,896                              | 58,764               | S-2        | 2  | 1,702,662  |
| 4    | Industrial Revenue             | 1,391,683                              | (29,542)             | S-3        | 0  | 1,362,141  |
| 5    | Private Fire                   | 228,274                                | (17,223)             | S-4        | 0  | 211,051  |
| 6    | Public Fire                    | 10                                     | 0                    | S-5        | 0  | 10   |
| 7    | Public Authorities             | 185,532                                | 3,540                | S-6        | 0  | 189,072  |
| 8    | Sales For Resale               | 201,817                                | 1,546                | S-7        | 0  | 203,363  |
| 9    | Other Revenue                  | 232,712                                | 0                    | S-8        | 10,436                                       | 243,148  |
| 10   | Total Revenues                 | \$ 8,165,247                           | \$ (334,010)         |            | \$ 10,438                                    | \$ 7,841,675                                     |
| 11   | Operating Expenses:            |  |                      |            |  |  |
| 12   | Operation & Maintenance:       |  |                      |            |  |  |
| 13   | Source of Supply               | 310,212                                | 1,811                | S-9        | 32   | 312,055  |
| 14   | Pumping                        | 603,077                                | 70,341               | S-10       | (8,361)                                      | 665,056  |
| 15   | Water Treatment                | 448,354                                | 246,468              | S-11       | 89   | 694,911  |
| 16   | Transmission & Distribution    | 403,188                                | 64,009               | S-12       | 1  | 467,197  |
| 17   | Customer Accounts              | 152,219                                | 51,147               | S-13       | 241,343                                      | 444,709  |
| 18   | Administrative & General       | 481,090                                | 286,499              | S-14       | 2,174,521                                    | 2,942,109  |
| 19   | Total O & M Expense            | \$ 2,398,140                           | \$ 720,274           |            | \$ 2,407,624                                 | \$ 5,526,038                                     |
| 20   | Other Operating Expenses:      |  |                      |            |  |  |
| 21   | Depreciation - Plant           | 853,181                                | 675,264              | S-15       | 78,766                                       | 1,607,211  |
| 22   | Amortization                   | 0                                      | 0                    | S-16       | 8,212  | 8,212  |
| 23   | Taxes Other Than Income        | 441,459                                | 51,292               | S-17       | 73,001                                       | 565,752  |
| 24   | Total Other Operating Expense  | \$ 1,294,640                           | \$ 726,556           |            | \$ 159,979                                   | \$ 2,181,175                                     |
| 25   | Total Operating Expenses       | 3,692,780                              | 1,446,830            |            | 2,567,603                                    | 7,707,213  |
| 26   | Net Income Before Income Taxes | \$ 4,472,467                           | \$ (1,780,840)       |            | \$ (2,557,165)                               | \$ 134,462                                       |
| 27   | Income Taxes:                  |  |                      |            |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ (206,792)         | S-18       | \$ (125,748)                                 | \$ (332,540)                                     |
| 29   | Deferred Income Tax:           |  |                      |            |  |  |
| 30   | Deferred Income Tax Expense    | 0                                      | (15,787)             | S-19       | 110,746                                      | 94,959   |
| 31   | ITC Amortization               | 0                                      | 0                    | S-20       | (8,297)                                      | (8,297)  |
| 32   | Total Income Taxes             | \$ 0                                   | \$ (222,579)         |            | \$ (23,299)                                  | \$ (245,877)                                     |
| 33   | Net Operating Income           | \$ 4,472,467                           | \$ (1,558,262)       |            | \$ (2,533,866)                               | \$ 380,339                                       |



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**Adjustments To Income Statement**

|                                |   |                   | Joplin           |           |
|--------------------------------|---|-------------------|------------------|-----------|
| Adjmt No                       | Description   | Adjustment Amount | Total Adjustment |           |
| <b>Residential Revenue S-1</b> |   |                   | \$               | (351,095) |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ (389,903)      |                  |           |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 38,808            |                  |           |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |           |
| <b>Commercial Revenue S-2</b>  |   |                   | \$               | 58,764    |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 35,738         |                  |           |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 23,026            |                  |           |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |           |
| <b>Industrial Revenue S-3</b>  |   |                   | \$               | (29,542)  |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ (52,185)       |                  |           |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 22,643            |                  |           |
| <b>Private Fire S-4</b>        |   |                   | \$               | (17,223)  |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | (17,223)          |                  |           |
| <b>Public Fire S-5</b>         |   |                   | \$               | 0         |
| 1                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |           |
| <b>Public Authorities S-6</b>  |   |                   | \$               | 3,540     |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | 3,540             |                  |           |
| 2                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |           |
| <b>Sales For Resale S-7</b>    |   |                   | \$               | 1,546     |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0              |                  |           |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 1,546             |                  |           |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |           |
| <b>Other Revenue S-8</b>       |   |                   | \$               | 0         |
| 1                              | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                 |                  |           |
| <b>Source of Supply S-9</b>    |   |                   | \$               | 1,811     |
| 1                              | To Annualize Payroll (Hanneken)                                     | \$ 1,948          |                  |           |
| 2                              | To Normalize Overtime Pay (Hanneken)                                | (137)             |                  |           |

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**Adjustments To Income Statement**

|  |   |                   | Joplin           |                |
|--|---|-------------------|------------------|----------------|
| Adjmt No                               | Description   | Adjustment Amount | Total Adjustment |                |
| 3                                      | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                  |                |
| 4                                      | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                  |                |
| 5                                      | To Annualize Purchased Water Expense (Grissum)                    | 0                 |                  |                |
| <b>Pumping</b>                         |   | <b>S-10</b>       | <b>\$</b>        | <b>70,341</b>  |
| 1                                      | To Annualize Payroll (Hanneken)                                   | \$ 57,287         |                  |                |
| 2                                      | To Normalize Overtime Pay (Hanneken)                              | (4,019)           |                  |                |
| 3                                      | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                  |                |
| 4                                      | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (9)               |                  |                |
| 5                                      | To Annualize Fuel & Power Expense (Grissum)                       | 17,081            |                  |                |
| <b>Water Treatment</b>                 |   | <b>S-11</b>       | <b>\$</b>        | <b>246,468</b> |
| 1                                      | To Annualize Payroll (Hanneken)                                   | \$ 22,027         |                  |                |
| 2                                      | To Normalize Overtime Pay (Hanneken)                              | (1,545)           |                  |                |
| 3                                      | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                  |                |
| 4                                      | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (517)             |                  |                |
| 5                                      | To Annualize Waste Disposal Expense (Hagemeyer)                   | 0                 |                  |                |
| 6                                      | To Annualize Chemicals Expense (Grissum)                          | 226,503           |                  |                |
| <b>Transmission &amp; Distribution</b> |   | <b>S-12</b>       | <b>\$</b>        | <b>64,009</b>  |
| 1                                      | To Annualize Payroll (Hanneken)                                   | \$ 68,838         |                  |                |
| 2                                      | To Normalize Overtime Pay (Hanneken)                              | (4,829)           |                  |                |
| 3                                      | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                  |                |
| 4                                      | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                 |                  |                |
| <b>Customer Accounts</b>               |   | <b>S-13</b>       | <b>\$</b>        | <b>51,147</b>  |
| 1                                      | To Annualize Payroll (Hanneken)                                   | \$ 29,523         |                  |                |
| 2                                      | To Normalize Overtime Pay (Hanneken)                              | (2,071)           |                  |                |
| 3                                      | To Annualize Postage Expense (Grissum)                            | 2,512             |                  |                |
| 4                                      | To Annualize Uncollectibles Expense (Grissum)                     | 21,184            |                  |                |
| <b>Administrative &amp; General</b>    |   | <b>S-14</b>       | <b>\$</b>        | <b>286,499</b> |
| 1                                      | To Annualize Payroll (Hanneken)                                   | \$ 33,944         |                  |                |
| 2                                      | To Normalize Overtime Pay (Hanneken)                              | (2,381)           |                  |                |

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**Adjustments To Income Statement**

| Adjmt<br>No                 | Description   | Joplin               |                     |
|-----------------------------|---|----------------------|---------------------|
|                             |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                           | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                           | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | (7,917)              |                     |
| 5                           | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                           | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                           | To Annualize Insurance Other Than Group (Hagemeyer)                 | 26,125               |                     |
| 8                           | To Annualize Other Post Employment Benefits (Hagemeyer)             | 22,043               |                     |
| 9                           | To Annualize Tank Painting Expense (Hagemeyer)                      | (89,284)             |                     |
| 10                          | To Annualize Pension Expense (Hagemeyer)                            | 54,437               |                     |
| 11                          | To Annualize Transportation Leases (Hagemeyer)                      | (7,624)              |                     |
| 12                          | To Annualize Waste Disposal Expense (Hagemeyer)                     | (16,408)             |                     |
| 13                          | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                          | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                          | To Remove Meals, Awards, etc. (Began)                               | (276)                |                     |
| 16                          | To Remove Miscellaneous Expense (Began)                             | (5,858)              |                     |
| 17                          | To Remove Dues and Donations (Began)                                | (51,149)             |                     |
| 18                          | To Remove Disallowed Promotion Expense (Began)                      | (4,399)              |                     |
| 19                          | To Remove Disallowed Advertising Expense (Began)                    | (600)                |                     |
| 20                          | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                          | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                          | To Annualize Payroll Tax Expense (Hanneken)                         | 345,544              |                     |
| 23                          | To Annualize Incentive Compensation Expense (Hanneken)              | (9,698)              |                     |
| 24                          | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                          | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                          | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                          | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                          | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant</b> |   |                      |                     |
|                             | <b>S-15</b>   |                      | <b>\$ 675,264</b>   |
| 1                           | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 474,509           |                     |

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**Adjustments To Income Statement**

|   |  | Joplin            |                  |
|---|--|-------------------|------------------|
| Adjmt No.                               | Description  | Adjustment Amount | Total Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | 202,457           |                  |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (1,702)           |                  |
| <b>Amortization S-16</b>                |  |                   | \$ 0             |
| 1                                       |  | \$ 0              |                  |
| <b>Taxes Other Than Income S-17</b>     |  |                   | \$ 51,292        |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 17,306         |                  |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (742)             |                  |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                 |                  |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                 |                  |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                 |                  |
| 6                                       | To Adjust Property Tax (Began)   | 34,728            |                  |
| <b>Current Income Tax S-18</b>          |  |                   | \$ (206,792)     |
| 1                                       | To adjust current income tax expense. (Cassidy )                                       | \$ (206,792)      |                  |
| <b>Deferred Income Tax Expense S-19</b> |  |                   | \$ (15,787)      |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ (15,787)       |                  |
| <b>ITC Amortization S-20</b>            |  |                   | \$ 0             |
| 1                                       |  | \$ 0              |                  |
| 2                                       |  | 0                 |                  |

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**Income Tax Calculation**

| Line | Description<br>(A)                             | Joplin              |                        |                        |                        |
|------|--|---------------------|------------------------|------------------------|------------------------|
|      |  | Test Year<br>(B)    | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 380,339          | \$ 2,120,520           | \$ 2,167,944           | \$ 2,215,368           |
| 2    | Add:   |                     |                        |                        |                        |
| 3    | Current Income Tax                             | (332,540)           | 751,727                | 781,276                | 810,824                |
| 4    | Deferred Income Taxes                          |                     |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | 94,959              | 94,959                 | 94,959                 | 94,959                 |
| 6    | ITC Amortization                               | (8,297)             | (8,297)                | (8,297)                | (8,297)                |
| 7    | Net Income Before Income Tax                   | \$ 134,462          | \$ 2,958,910           | \$ 3,035,883           | \$ 3,112,855           |
| 8    | Additions to Net Income Before Income Tax:     |                     |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 1,607,211        | \$ 1,607,211           | \$ 1,607,211           | \$ 1,607,211           |
| 10   | Contributions In Aid of Construction           | 0                   | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                   | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 2,249               | 2,249                  | 2,249                  | 2,249                  |
| 13   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 1,609,461        | \$ 1,609,461           | \$ 1,609,461           | \$ 1,609,461           |
| 16   | Subtractions to Net Income Before Income Tax:  |                     |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 917,989          | \$ 917,989             | \$ 917,989             | \$ 917,989             |
| 18   | Tax Straight Line Depreciation                 | 1,607,211           | 1,607,211              | 1,607,211              | 1,607,211              |
| 19   | Tax Depreciation in Excess of Straight Line    | 84,968              | 84,968                 | 84,968                 | 84,968                 |
| 20   | Cost of Removal                                | 0                   | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 2,610,168        | \$ 2,610,168           | \$ 2,610,168           | \$ 2,610,168           |
| 24   | Net Taxable Income                             | \$ (866,246)        | \$ 1,958,202           | \$ 2,035,175           | \$ 2,112,147           |
| 25   | Provision for Federal Income Tax               |                     |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ (866,246)        | \$ 1,958,202           | \$ 2,035,175           | \$ 2,112,147           |
| 27   | Deduct Missouri Income Tax @ 100.00%           | (45,160)            | 102,086                | 106,099                | 110,112                |
| 28   | Federal Taxable Income                         | \$ (821,086)        | \$ 1,856,116           | \$ 1,929,076           | \$ 2,002,035           |
| 29   | Federal Income Tax @ 35.00%                    | \$ (287,380)        | \$ 649,640             | \$ 675,177             | \$ 700,712             |
| 30   | Provision for Missouri Income Tax              |                     |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ (866,246)        | \$ 1,958,202           | \$ 2,035,175           | \$ 2,112,147           |
| 32   | Deduct Federal Income Tax @ 50.00%             | (143,690)           | 324,820                | 337,588                | 350,356                |
| 33   | Missouri Taxable Income                        | \$ (722,556)        | \$ 1,633,382           | \$ 1,697,587           | \$ 1,761,791           |
| 34   | Missouri Income Tax @ 6.25%                    | \$ (45,160)         | \$ 102,086             | \$ 106,099             | \$ 110,112             |
| 35   | Summary of Provision For Income Tax            |                     |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ (287,380)        | \$ 649,640             | \$ 675,177             | \$ 700,712             |
| 37   | State Income Tax                               | (45,160)            | 102,086                | 106,099                | 110,112                |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ (332,540)</b> | <b>\$ 751,727</b>      | <b>\$ 781,276</b>      | <b>\$ 810,824</b>      |

**MEXICO**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Revenue Requirement

| Line | (A)  | Mexico                        |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 12,633,887                 | \$ 12,633,887                 | \$ 12,633,887                 |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 790,881                    | \$ 808,569                    | \$ 826,256                    |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 506,671                       | 506,671                       | 506,671                       |
| 5    | Additional Net Operating Income Requirement                    | \$ 284,211                    | \$ 301,898                    | \$ 319,585                    |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 267,644                    | \$ 278,664                    | \$ 289,685                    |
| 8    | Test Year Current Income Tax                                   | 90,558                        | 90,558                        | 90,558                        |
| 9    | Additional Current Income Tax Requirement                      | \$ 177,085                    | \$ 188,106                    | \$ 199,126                    |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ 461,296                    | \$ 490,004                    | \$ 518,712                    |
| 11   | Allowance for True-up  | \$ 265,579                    | \$ 265,579                    | \$ 265,579                    |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 726,875</b>             | <b>\$ 755,583</b>             | <b>\$ 784,291</b>             |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 2,584,290                  | \$ 2,584,290                  | \$ 2,584,290                  |
| 14   | Total Gross Revenue Requirement                                | \$ 3,311,165                  | \$ 3,339,873                  | \$ 3,368,581                  |

Missouri-American Water Company  
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Rate Base

| Line | Description<br>(A)  | Mexico                 |                                  |                      |
|------|---|------------------------|----------------------------------|----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)         |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 17,463,256          | \$ 136,893                       | \$ 17,600,149        |
| 2    | Less:   |                        |                                  | 0                    |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 2,628,159              | 42,769                           | 2,670,928            |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                    |
| 5    | Net Plant in Service  | \$ 14,835,097          | \$ 94,124                        | \$ 14,929,221        |
| 6    | Add:  |                        |                                  |                      |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ (10,231)            | \$                               | \$ (10,231)          |
| 8    | Materials and Supplies  | 18,263                 | 168                              | 18,431               |
| 9    | Prepayments   |                        | 9,386                            | 9,386                |
| 10   | Deferred OPEB Asset   |                        | 57,027                           | 57,027               |
| 11   | Other   |                        | 0                                | 0                    |
| 12   | Other   |                        | 0                                | 0                    |
| 13   | Other   |                        | 0                                | 0                    |
| 14   | Total Additions to Net Plant in Service                       | \$ 8,032               | \$ 66,582                        | \$ 74,614            |
| 15   | Deduct:   |                        |                                  |                      |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 66,421              | \$                               | \$ 66,421            |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (648)                  |                                  | (648)                |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 2,083                  |                                  | 2,083                |
| 19   | Contributions In Aid of Construction:                         | 797,491                | 0                                | 797,491              |
| 20   | Customer Advances   | 179,487                | (10)                             | 179,477              |
| 21   | Customer Deposits   |                        | 0                                | 0                    |
| 22   | Pre-71 ITC  |                        | 0                                | 0                    |
| 23   | Deferred Income Taxes   |                        | 1,188,567                        | 1,188,567            |
| 24   | Accrued Pension Liability                                     |                        | 136,556                          | 136,556              |
| 25   | Other   |                        | 0                                | 0                    |
| 26   | Other   |                        | 0                                | 0                    |
| 27   | Other   |                        | 0                                | 0                    |
| 28   | Total Deductions to Net Plant in Service                      | \$ 1,044,834           | \$ 1,325,114                     | \$ 2,369,948         |
| 29   | <b>Total Rate Base</b>  | <b>\$ 13,798,295</b>   | <b>\$ (1,164,408)</b>            | <b>\$ 12,633,887</b> |



## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Plant In Service

Mexico

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|------------|----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |            |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 1    |            | Intangible                       |                              |               |            |                                  |                                   |
| 2    | 301        | Organization                     | \$                           | \$            | P-1        | \$ 2,483                         | \$ 2,483                          |
| 3    | 302        | Franchise & Consents             |                              | 0             | P-2        | 0                                | 0                                 |
| 4    | 303        | Miscellaneous Intangible         | 1,122                        | 0             | P-3        | 3,888                            | 5,010                             |
| 5    |            | Total Intangible                 | \$ 1,122                     | \$ 0          |            | \$ 6,371                         | \$ 7,493                          |
| 6    |            | Source of Supply                 |                              |               |            |                                  |                                   |
| 7    | 310        | Land & Land Rights               | \$ 25,516                    | \$ 0          | P-4        | 0                                | \$ 25,516                         |
| 8    | 311        | Structures & Improvements        | 68,215                       | 0             | P-5        | 0                                | 68,215                            |
| 9    | 312        | Collecting & Impounding Res      | 183                          | 0             | P-6        | 0                                | 183                               |
| 10   | 313        | Lake, River & Other Intakes      |                              | 0             | P-7        | 0                                | 0                                 |
| 11   | 314        | Wells & Springs                  | 934,615                      | 0             | P-8        | 0                                | 934,615                           |
| 12   | 315        | Infiltration Galleries & Tunnels |                              | 0             | P-9        | 0                                | 0                                 |
| 13   | 316        | Supply Mains                     | 866,809                      | 0             | P-9        | 0                                | 866,809                           |
| 14   | 316        | Supply Mains-North Plant         |                              | 0             | P-10       | 0                                | 0                                 |
| 15   | 316        | Supply Mains-Central Plant       |                              | 0             | P-11       | 0                                | 0                                 |
| 16   | 316        | Supply Mains-South Plant         |                              | 0             | P-12       | 0                                | 0                                 |
| 17   | 316        | Supply Mains-Meramec Plant       |                              | 0             | P-13       | 0                                | 0                                 |
| 18   | 317        | Other Source of Supply Plant     | 1,730                        | 0             | P-14       | 0                                | 1,730                             |
| 19   |            | Total Source of Supply           | \$ 1,897,068                 | \$ 0          |            | \$ 0                             | \$ 1,897,068                      |
| 20   |            | Pumping                          |                              |               |            |                                  |                                   |
| 21   | 320        | Land & Land Rights               | \$ 58,808                    | \$ 0          | P-15       | 0                                | \$ 58,808                         |
| 22   | 321        | S & I-Plant                      | 73,206                       | 0             | P-16       | 0                                | 73,206                            |
| 23   | 321.1      | S & I-Pumps (STL)                |                              | 0             | P-17       | 0                                | 0                                 |
| 24   | 321.2      | S & I-Boosters                   |                              | 0             | P-18       | 0                                | 0                                 |
| 25   | 322        | Boiler Equipment                 |                              | 0             | P-19       | 0                                | 0                                 |
| 26   | 323        | Other Power Prod. Equip.         | 5,353                        | 0             | P-20       | 0                                | 5,353                             |
| 27   | 324        | Steam Pumping Equipment          |                              | 0             | P-21       | 0                                | 0                                 |
| 28   | 325.1      | Electric Pumping Equipment       | 741,464                      | 0             | P-22       | 0                                | 741,464                           |
| 29   | 325.2      | Pumping Equipment-Pre '46        |                              | 0             | P-23       | 0                                | 0                                 |
| 30   | 325.3      | Pumping Equipment-Post '46       |                              | 0             | P-24       | 0                                | 0                                 |
| 31   | 325        | Pumping Equipment-Booster        |                              | 0             | P-25       | 0                                | 0                                 |
| 32   | 326        | Diesel Pumping Equipment         |                              | 0             | P-26       | 0                                | 0                                 |
| 33   | 326        | Dsl Pump Equip-Stratman          |                              | 0             | P-27       | 0                                | 0                                 |
| 34   | 326        | Dsl Pump Equip-Central Plant     |                              | 0             | P-28       | 0                                | 0                                 |
| 35   | 327        | Pump Equip Hydraulic             |                              | 0             | P-29       | 0                                | 0                                 |
| 36   | 328        | Other Pumping Equipment          | 33,882                       | 0             | P-30       | 0                                | 33,882                            |
| 37   |            | Total Pumping                    | \$ 912,713                   | \$ 0          |            | \$ 0                             | \$ 912,713                        |
| 38   |            | Water Treatment Plant            |                              |               |            |                                  |                                   |
| 39   | 330        | Land & Land Rights               | \$ 13,920                    | \$ 0          | P-31       | 0                                | \$ 13,920                         |
| 40   | 331        | Structures & Improvements        | 3,361,873                    | 0             | P-32       | 0                                | 3,361,873                         |
| 41   | 331        | S & I - North Plant              |                              | 0             | P-33       | 0                                | 0                                 |
| 42   | 331        | S & I-Central 1 & 2              |                              | 0             | P-34       | 0                                | 0                                 |
| 43   | 331        | S & I-Central 3                  |                              | 0             | P-35       | 0                                | 0                                 |
| 44   | 331        | S & I-South Plant                |                              | 0             | P-36       | 0                                | 0                                 |
| 45   | 331        | S & I-Meramec                    |                              | 0             | P-37       | 0                                | 0                                 |
| 46   | 332        | WT Equip Non-Media               | 2,488,498                    | 0             | P-38       | 0                                | 2,488,498                         |
| 47   | 332        | WT Equip-North Plant             |                              | 0             | P-39       | 0                                | 0                                 |

Missouri-American Water Company  
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**Plant In Service**

Mexico

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-------------------|-------------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                     |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 48   | 332               | WT Equip-Central 1 & 2              |                              | 0             | P-40       | 0                                | 0                                 |
| 49   | 332               | WT Equip-Central 3                  |                              | 0             | P-41       | 0                                | 0                                 |
| 50   | 332               | WT Equip-South Plant                |                              | 0             | P-42       | 0                                | 0                                 |
| 51   | 332               | WT Equip-Meramac                    |                              | 0             | P-43       | 0                                | 0                                 |
| 52   | 332               | Other P/E Hand Equipment            | 23,864                       | 0             | P-44       | 0                                | 23,864                            |
| 53   | 332.4             | Equipment Filter Media              | 69,180                       | 0             | P-45       | 0                                | 69,180                            |
| 54   |                   | Total Water Treatment Plant         | \$ 5,957,335                 | \$ 0          |            | \$ 0                             | \$ 5,957,335                      |
| 55   |                   | Transmission & Distribution         |                              |               |            |                                  |                                   |
| 56   | 340               | Land & Land Rights                  | \$ 13,336                    | \$ 0          | P-46       | \$ 0                             | \$ 13,336                         |
| 57   | 341               | Structures & Improvements           | 69,287                       | 0             | P-47       | 0                                | 69,287                            |
| 58   | 341.63            | S & I-Spec Cross                    |                              | 0             | P-48       | 0                                | 0                                 |
| 59   | 342               | Distr. Res. & Standpipes            | 304,708                      | 0             | P-49       | 0                                | 304,708                           |
| 60   | 342               | Rsvr & Standpipe-Elev               | 46,971                       | 0             | P-50       | 0                                | 46,971                            |
| 61   | 342               | Rsvr & Standpipe-Ground             | 19,616                       | 0             | P-51       | 0                                | 19,616                            |
| 62   | 343               | T & D Mains (Not Classified)        | 2,718,252                    | 0             | P-52       | 0                                | 2,718,252                         |
| 63   | 343.1             | T & D Mains - 4" & Less             | 182,724                      | 0             | P-53       | 0                                | 182,724                           |
| 64   | 343.1             | T & D Mains AC 4 (STL)              |                              | 0             | P-54       | 0                                | 0                                 |
| 65   | 343.1             | T & D Mains Galv 1 (STL)            |                              | 0             | P-55       | 0                                | 0                                 |
| 66   | 343.2             | T & D Mains - 6" to 8"              | 909,483                      | 0             | P-56       | 0                                | 909,483                           |
| 67   | 343.2             | CI-10" & Smaller-1900-1928          |                              | 0             | P-57       | 0                                | 0                                 |
| 68   | 343.2             | CI-10" & Smaller 1929-1956          |                              | 0             | P-58       | 0                                | 0                                 |
| 69   | 343.2             | CI-10" & Smaller-1957-1993          |                              | 0             | P-59       | 0                                | 0                                 |
| 70   | 343.2             | T & D Mains - DI 6-8 (STL)          |                              | 0             | P-60       | 0                                | 0                                 |
| 71   | 343.2             | T & D Mains - DI 6-10" (TN)         |                              | 0             | P-61       | 0                                | 0                                 |
| 72   | 343.2             | T & D Mains - PL 6-8" (STL)         |                              | 0             | P-62       | 0                                | 0                                 |
| 73   | 343.3             | T & D Mains - 10" to 16"            | 707,992                      | 0             | P-63       | 0                                | 707,992                           |
| 74   | 343.3             | T & D Mains - 18" & Greater         |                              | 0             | P-64       | 0                                | 0                                 |
| 75   | 343.3             | CI-12" (STL)                        |                              | 0             | P-65       | 0                                | 0                                 |
| 76   | 343.3             | CI-16" (STL)                        |                              | 0             | P-66       | 0                                | 0                                 |
| 77   | 343.3             | T & D Mains - DI 12 (STL)           |                              | 0             | P-66       | 0                                | 0                                 |
| 78   | 343.3             | T & D Mains - DI 16 & Greater (STL) |                              | 0             | P-67       | 0                                | 0                                 |
| 79   | 343.3             | T & D Mains - IJ 20 (STL)           |                              | 0             | P-68       | 0                                | 0                                 |
| 80   | 343.3             | T & D Mains - PL 12 (STL)           |                              | 0             | P-69       | 0                                | 0                                 |
| 81   | 344               | Fire Mains                          | 30,970                       | 0             | P-70       | 0                                | 30,970                            |
| 82   | 345               | Services                            | 1,664,804                    | 0             | P-71       | 0                                | 1,664,804                         |
| 83   | 346.1             | Meters-Bronze Case                  | 364,606                      | 0             | P-72       | 0                                | 364,606                           |
| 84   | 346.2             | Meters-Plastic Case                 |                              | 0             | P-73       | 0                                | 0                                 |
| 85   | 346.3             | Meters-Other                        | 72,150                       | 0             | P-74       | 0                                | 72,150                            |
| 86   | 346.3             | Meters-Remote (ARB's)               |                              | 0             | P-75       | 0                                | 0                                 |
| 87   | 347.1             | Meter Install                       | 801,924                      | 0             | P-76       | 0                                | 801,924                           |
| 88   | 347.2             | Meter Install-Other                 |                              | 0             | P-77       | 0                                | 0                                 |
| 89   | 348               | Hydrants                            | 374,686                      | 0             | P-78       | 0                                | 374,686                           |
| 90   | 349               | Other T&D Plant                     | 11,797                       | 0             | P-79       | 0                                | 11,797                            |
| 91   |                   | Total Transmission & Distribution   | \$ 8,293,306                 | \$ 0          |            | \$ 0                             | \$ 8,293,306                      |

Missouri-American Water Company  
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Plant In Service

Mexico

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |        |         |     |            |
|------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|--------|---------|-----|------------|
|      | (A)        |                                  |                       | (B)         | (C) |                           |                            | Amount | No.     | (D) | (E)        |
| 92   |            | Sewer Plant                      |                       |             |     |                           |                            |        |         |     |            |
| 93   | 351        | Structures & Improvements        | \$                    |             | \$  | 0                         | P-80                       | \$     | 0       | \$  | 0          |
| 94   | 352.1      | Collection Sewers Forced         |                       |             |     | 0                         | P-81                       |        | 0       |     | 0          |
| 95   | 352.2      | Collecting Mains                 |                       |             |     | 0                         | P-82                       |        | 0       |     | 0          |
| 96   | 352.2      | Collecting Mains Other           |                       |             |     | 0                         | P-83                       |        | 0       |     | 0          |
| 97   | 353        | Service to Customers             |                       |             |     | 0                         | P-84                       |        | 0       |     | 0          |
| 98   | 363        | Electric Pumping Equipment       |                       |             |     | 0                         | P-85                       |        | 0       |     | 0          |
| 99   | 370.1      | Land & Land Rights               |                       |             |     | 0                         | P-86                       |        | 0       |     | 0          |
| 100  | 372        | T&D Equipment                    |                       |             |     | 0                         | P-87                       |        | 0       |     | 0          |
| 101  | 372        | T&D Equipment Influent Lift      |                       |             |     | 0                         | P-88                       |        | 0       |     | 0          |
| 102  | 374        | Outfall Sewer Lines              |                       |             |     | 0                         | P-89                       |        | 0       |     | 0          |
| 103  |            | Total Sewer Plant                | \$                    | 0           | \$  | 0                         |                            | \$     | 0       | \$  | 0          |
| 104  |            | General Plant                    |                       |             |     |                           |                            |        |         |     |            |
| 105  | 389        | Land & Land Rights               | \$                    | 2,057       | \$  | 0                         | P-90                       | \$     | 0       | \$  | 2,057      |
| 106  | 390        | S&I-Store, Shop & Garage         |                       | 24,657      |     | 0                         | P-91                       |        | 0       |     | 24,657     |
| 107  | 390.1      | S & I-Offices                    |                       | 122,345     |     | 0                         | P-92                       |        | 0       |     | 122,345    |
| 108  | 390.1      | S & I-Leasehold                  |                       |             |     | 0                         | P-93                       |        | 0       |     | 0          |
| 109  | 390.1      | S & I-Leaschold - SCADA          |                       |             |     | 0                         | P-94                       |        | 0       |     | 0          |
| 110  | 390.3      | S&I-Misc                         |                       |             |     | 0                         | P-95                       |        | 0       |     | 0          |
| 111  | 391        | Office Furniture and Equipment   |                       | 1,849       |     | 0                         | P-96                       |        | 10,324  |     | 12,173     |
| 112  | 391.2      | Computers & Peripheral Equipment |                       | 27,395      |     | 0                         | P-97                       |        | 31,648  |     | 59,043     |
| 113  | 391.25     | Computer Software                |                       | 31,048      |     | 0                         | P-98                       |        | 83,250  |     | 114,298    |
| 114  | 391.26     | Computer Software Personal       |                       |             |     | 0                         | P-99                       |        | 1,614   |     | 1,614      |
| 115  | 391.3      | Data Handling Equipment          |                       | 35,936      |     | 0                         | P-100                      |        | 0       |     | 35,936     |
| 116  | 391.3      | Other Office Equipment           |                       | 8,196       |     | 0                         | P-101                      |        | 195     |     | 8,391      |
| 117  | 392.11     | Trans Equipment-Lt Duty Trucks   |                       | 22,859      |     | 0                         | P-102                      |        | 555     |     | 23,414     |
| 118  | 392.12     | Trans Equipment-Hvy Duty Trucks  |                       |             |     | 0                         | P-103                      |        | 0       |     | 0          |
| 119  | 392.2      | Trans Equipment-Autos            |                       | 16,428      |     | 0                         | P-104                      |        | 2,050   |     | 18,478     |
| 120  | 392.3      | Trans Equipment Other            |                       |             |     | 0                         | P-105                      |        | 0       |     | 0          |
| 121  | 393        | Stores Equipment                 |                       | 11,065      |     | 0                         | P-106                      |        | 0       |     | 11,065     |
| 122  | 394        | Tools, Shop & Garage Equipment   |                       | 43,678      |     | 0                         | P-107                      |        | 227     |     | 43,905     |
| 123  | 394        | Tools, Shop & Garage Equip Other |                       |             |     | 0                         | P-108                      |        | 0       |     | 0          |
| 124  | 395        | Laboratory Equipment             |                       | 14,270      |     | 0                         | P-109                      |        | 0       |     | 14,270     |
| 125  | 395        | Laboratory Equipment Other       |                       |             |     | 0                         | P-110                      |        | 0       |     | 0          |
| 126  | 396        | Power Operated Equipment         |                       | 8,027       |     | 0                         | P-111                      |        | 0       |     | 8,027      |
| 127  | 397        | Comm Equipment-Non-Tele          |                       | 20,164      |     | 0                         | P-112                      |        | 31      |     | 20,195     |
| 128  | 397.2      | Comm Equipment-Tele              |                       | 3,693       |     | 0                         | P-113                      |        | 479     |     | 4,172      |
| 129  | 398        | Miscellaneous                    |                       | 8,045       |     | 0                         | P-114                      |        | 148     |     | 8,193      |
| 130  | 399        | Other Tangible Property          |                       |             |     | 0                         | P-115                      |        | 0       |     | 0          |
| 131  |            | Total General Plant              | \$                    | 401,712     | \$  | 0                         |                            | \$     | 130,522 | \$  | 532,234    |
| 132  |            | Total Plant In Service           | \$                    | 17,463,256  | \$  | 0                         |                            | \$     | 136,893 | \$  | 17,600,149 |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Plant In Service**

Mexico

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Mexico<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|------------|----------------------------------|------------------------------|-----------------------|------------|----------------------------------|-----------------------------------|
|      |            |                                  |                              | Amount<br>(D)         | No.<br>(E) |                                  |                                   |
| 1    |            | Intangible                       |                              |                       |            |                                  |                                   |
| 2    | 301        | Organization                     | \$                           | \$ 0                  | R-1        | \$ 0                             | \$ 0                              |
| 3    | 302        | Franchise & Consents             |                              | 0                     | R-2        | 0                                | 0                                 |
| 4    | 303        | Miscellaneous Intangible         |                              | 0                     | R-3        | 4,665                            | 4,665                             |
| 5    |            | Total Intangible                 | \$ 0                         | \$ 0                  |            | \$ 4,665                         | \$ 4,665                          |
| 6    |            | Source of Supply                 |                              |                       |            |                                  |                                   |
| 7    | 310        | Land & Land Rights               | \$                           | \$ 0                  | R-4        | \$ 0                             | \$ 0                              |
| 8    | 311        | Structures & Improvements        | 27,166                       | 0                     | R-5        | 0                                | 27,166                            |
| 9    | 312        | Collecting & Impounding Res      | 140                          | 0                     | R-6        | 0                                | 140                               |
| 10   | 313        | Lake, River & Other Intakes      |                              | 0                     | R-7        | 0                                | 0                                 |
| 11   | 314        | Wells & Springs                  | 287,478                      | 0                     | R-8        | 0                                | 287,478                           |
| 12   | 315        | Infiltration Galleries & Tunnels |                              | 0                     | R-9        | 0                                | 0                                 |
| 13   | 316        | Supply Mains                     | 158,671                      | 0                     | R-9        | 0                                | 158,671                           |
| 14   | 316        | Supply Mains-North Plant         |                              | 0                     | R-10       | 0                                | 0                                 |
| 15   | 316        | Supply Mains-Central Plant       |                              | 0                     | R-11       | 0                                | 0                                 |
| 16   | 316        | Supply Mains-South Plant         |                              | 0                     | R-12       | 0                                | 0                                 |
| 17   | 316        | Supply Mains-Meramec Plant       |                              | 0                     | R-13       | 0                                | 0                                 |
| 18   | 317        | Other Source of Supply Plant     |                              | 0                     | R-14       | 0                                | 0                                 |
| 19   |            | Total Source of Supply           | \$ 473,455                   | \$ 0                  |            | \$ 0                             | \$ 473,455                        |
| 20   |            | Pumping                          |                              |                       |            |                                  |                                   |
| 21   | 320        | Land & Land Rights               | \$                           | \$ 0                  | R-15       | \$ 0                             | \$ 0                              |
| 22   | 321        | S & I-Plant                      | 24,361                       | 0                     | R-16       | 0                                | 24,361                            |
| 23   | 321.1      | S & I-Pumps (STL)                |                              | 0                     | R-17       | 0                                | 0                                 |
| 24   | 321.2      | S & I-Boosters                   |                              | 0                     | R-18       | 0                                | 0                                 |
| 25   | 322        | Boiler Equipment                 |                              | 0                     | R-19       | 0                                | 0                                 |
| 26   | 323        | Other Power Prod. Equip.         | 84                           | 0                     | R-20       | 0                                | 84                                |
| 27   | 324        | Steam Pumping Equipment          |                              | 0                     | R-21       | 0                                | 0                                 |
| 28   | 325.1      | Electric Pumping Equipment       | (213,545)                    | 0                     | R-22       | 0                                | (213,545)                         |
| 29   | 325.2      | Pumping Equipment-Prc '46        |                              | 0                     | R-23       | 0                                | 0                                 |
| 30   | 325.3      | Pumping Equipment-Post '46       |                              | 0                     | R-24       | 0                                | 0                                 |
| 31   | 325        | Pumping Equipment-Booster        |                              | 0                     | R-25       | 0                                | 0                                 |
| 32   | 326        | Diesel Pumping Equipment         |                              | 0                     | R-26       | 0                                | 0                                 |
| 33   | 326        | Dsl Pump Equip-Stratman          |                              | 0                     | R-27       | 0                                | 0                                 |
| 34   | 326        | Dsl Pump Equip-Central Plant     |                              | 0                     | R-28       | 0                                | 0                                 |
| 35   | 327        | Pump Equip Hydraulic             |                              | 0                     | R-29       | 0                                | 0                                 |
| 36   | 328        | Other Pumping Equipment          | 1,831                        | 0                     | R-30       | 0                                | 1,831                             |
| 37   |            | Total Pumping                    | \$ (187,269)                 | \$ 0                  |            | \$ 0                             | \$ (187,269)                      |
| 38   |            | Water Treatment Plant            |                              |                       |            |                                  |                                   |
| 39   | 330        | Land & Land Rights               | \$                           | \$ 0                  | R-31       | \$ 0                             | \$ 0                              |
| 40   | 331        | Structures & Improvements        | 454,890                      | 0                     | R-32       | 0                                | 454,890                           |
| 41   | 331        | S & I - North Plant              |                              | 0                     | R-33       | 0                                | 0                                 |
| 42   | 331        | S & I-Central 1 & 2              |                              | 0                     | R-34       | 0                                | 0                                 |
| 43   | 331        | S & I-Central 3                  |                              | 0                     | R-35       | 0                                | 0                                 |
| 44   | 331        | S & I-South Plant                |                              | 0                     | R-36       | 0                                | 0                                 |
| 45   | 331        | S & I-Meramac                    |                              | 0                     | R-37       | 0                                | 0                                 |
| 46   | 332        | WT Equip Non-Media               | 340,973                      | 0                     | R-38       | 0                                | 340,973                           |
| 47   | 332        | WT Equip-North Plant             |                              | 0                     | R-39       | 0                                | 0                                 |

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**Depreciation Reserve**

Mexico

| Line | A/C<br>No | Plant Title                         | Balance<br>12/31/2006 | Adjustments |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|-----------|-------------------------------------|-----------------------|-------------|------|---------------------------|----------------------------|
|      |           |                                     |                       | Amount      | No.  |                           |                            |
|      | (A)       | (B)                                 | (C)                   | (D)         | (E)  | (F)                       | (G)                        |
| 48   | 332       | WT Equip-Central 1 & 2              |                       | 0           | R-40 | 0                         | 0                          |
| 49   | 332       | WT Equip-Central 3                  |                       | 0           | R-41 | 0                         | 0                          |
| 50   | 332       | WT Equip-South Plant                |                       | 0           | R-42 | 0                         | 0                          |
| 51   | 332       | WT Equip-Meramac                    |                       | 0           | R-43 | 0                         | 0                          |
| 52   | 332       | Other P/E Hand Equipment            | 701                   | 0           | R-44 | 0                         | 701                        |
| 53   | 332.4     | Equipment Filter Media              |                       | 0           | R-45 | 0                         | 0                          |
| 54   |           | Total Water Treatment Plant         | \$ 796,564            | \$ 0        |      | \$ 0                      | \$ 796,564                 |
| 55   |           | Transmission & Distribution         |                       |             |      |                           |                            |
| 56   | 340       | Land & Land Rights                  | \$                    | \$ 0        | R-46 | \$ 0                      | \$ 0                       |
| 57   | 341       | Structures & Improvements           | 8,171                 | 0           | R-47 | 0                         | 8,171                      |
| 58   | 341.63    | S & I-Spec Cross                    |                       | 0           | R-48 | 0                         | 0                          |
| 59   | 342       | Distr. Res. & Standpipes            | 108,460               | 0           | R-49 | 0                         | 108,460                    |
| 60   | 342       | Rsvr & Standpipe-Elev               | 2,279                 | 0           | R-50 | 0                         | 2,279                      |
| 61   | 342       | Rsvr & Standpipe-Ground             | 691                   | 0           | R-51 | 0                         | 691                        |
| 62   | 343       | T & D Mains (Not Classified)        | 982,441               | 0           | R-52 | 0                         | 982,441                    |
| 63   | 343.1     | T & D Mains - 4" & Less             | (11,232)              | 0           | R-53 | 0                         | (11,232)                   |
| 64   | 343.1     | T & D Mains AC 4 (STL)              |                       | 0           | R-54 | 0                         | 0                          |
| 65   | 343.1     | T & D Mains Galv 1 (STL)            |                       | 0           | R-55 | 0                         | 0                          |
| 66   | 343.2     | T & D Mains - 6" to 8"              | 25,085                | 0           | R-56 | 0                         | 25,085                     |
| 67   | 343.2     | CI-10" & Smaller-1900-1928          |                       | 0           | R-57 | 0                         | 0                          |
| 68   | 343.2     | CI-10" & Smaller 1929-1956          |                       | 0           | R-58 | 0                         | 0                          |
| 69   | 343.2     | CI-10" & Smaller-1957-1993          |                       | 0           | R-59 | 0                         | 0                          |
| 70   | 343.2     | T & D Mains - DI 6-8 (STL)          |                       | 0           | R-60 | 0                         | 0                          |
| 71   | 343.2     | T & D Mains - DI 6-10" (TN)         |                       | 0           | R-61 | 0                         | 0                          |
| 72   | 343.2     | T & D Mains - PL 6-8" (STL)         |                       | 0           | R-62 | 0                         | 0                          |
| 73   | 343.3     | T & D Mains - 10" to 16"            | 14,604                | 0           | R-63 | 0                         | 14,604                     |
| 74   | 343.3     | T & D Mains - 18" & Greater         |                       | 0           | R-64 | 0                         | 0                          |
| 75   | 343.3     | CI-12" (STL)                        |                       | 0           | R-65 | 0                         | 0                          |
| 76   | 343.3     | CI-16" (STL)                        |                       | 0           | R-66 | 0                         | 0                          |
| 77   | 343.3     | T & D Mains - DI 12 (STL)           |                       | 0           | R-66 | 0                         | 0                          |
| 78   | 343.3     | T & D Mains - DI 16 & Greater (STL) |                       | 0           | R-67 | 0                         | 0                          |
| 79   | 343.3     | T & D Mains - LJ 20 (STL)           |                       | 0           | R-68 | 0                         | 0                          |
| 80   | 343.3     | T & D Mains - PL 12 (STL)           |                       | 0           | R-69 | 0                         | 0                          |
| 81   | 344       | Fire Mains                          | 7,970                 | 0           | R-70 | 0                         | 7,970                      |
| 82   | 345       | Services                            | 86,642                | 0           | R-71 | 0                         | 86,642                     |
| 83   | 346.1     | Meters-Bronze Case                  | (4,147)               | 0           | R-72 | 0                         | (4,147)                    |
| 84   | 346.2     | Meters-Plastic Case                 |                       | 0           | R-73 | 0                         | 0                          |
| 85   | 346.3     | Meters-Other                        | 68,780                | 0           | R-74 | 0                         | 68,780                     |
| 86   | 346.3     | Meters-Remote (ARB's)               |                       | 0           | R-75 | 0                         | 0                          |
| 87   | 347.1     | Meter Install                       | 23,731                | 0           | R-76 | 0                         | 23,731                     |
| 88   | 347.2     | Meter Install-Other                 |                       | 0           | R-77 | 0                         | 0                          |
| 89   | 348       | Hydrants                            | 121,549               | 0           | R-78 | 0                         | 121,549                    |
| 90   | 349       | Other T&D Plant                     | 4,056                 | 0           | R-79 | 0                         | 4,056                      |
| 91   |           | Total Transmission & Distribution   | \$ 1,439,080          | \$ 0        |      | \$ 0                      | \$ 1,439,080               |

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Depreciation Reserve

| Mexico |            |                                  |                       |             |     |                           |                            |         |    |           |
|--------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|---------|----|-----------|
| Line   | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |         |    |           |
|        |            |                                  |                       | Amount      | No. |                           |                            |         |    |           |
|        | (A)        | (B)                              | (C)                   | (D)         | (E) | (F)                       | (G)                        |         |    |           |
| 92     |            | Sewer Plant                      |                       |             |     |                           |                            |         |    |           |
| 93     | 351.0      | Structures & Improvements        | \$                    | \$          | 0   | R-80                      | \$                         | 0       |    |           |
| 94     | 352.1      | Collection Sewers Forced         |                       |             | 0   | R-81                      | 0                          | 0       |    |           |
| 95     | 352.2      | Collecting Mains                 |                       |             | 0   | R-82                      | 0                          | 0       |    |           |
| 96     | 352.2      | Collecting Mains Other           |                       |             | 0   | R-83                      | 0                          | 0       |    |           |
| 97     | 353.0      | Service to Customers             |                       |             | 0   | R-84                      | 0                          | 0       |    |           |
| 98     | 363.0      | Electric Pumping Equipment       |                       |             | 0   | R-85                      | 0                          | 0       |    |           |
| 99     | 370.1      | Land & Land Rights               |                       |             | 0   | R-86                      | 0                          | 0       |    |           |
| 100    | 372        | T&D Equipment                    |                       |             | 0   | R-87                      | 0                          | 0       |    |           |
| 101    | 372.0      | T&D Equipment Influent Lift      |                       |             | 0   | R-88                      | 0                          | 0       |    |           |
| 102    | 374        | Outfall Sewer Lines              |                       |             | 0   | R-89                      | 0                          | 0       |    |           |
| 103    |            | Total Sewer Plant                | \$                    | 0           | \$  | 0                         | \$                         | 0       |    |           |
| 104    |            | General Plant                    |                       |             |     |                           |                            |         |    |           |
| 105    | 389        | Land & Land Rights               | \$                    | \$          | 0   | R-90                      | \$                         | 0       |    |           |
| 106    | 390        | S&I-Store, Shop & Garage         |                       | 2,482       | 0   | R-91                      | 0                          | 2,482   |    |           |
| 107    | 390.1      | S & I-Offices                    |                       | 33,893      | 0   | R-92                      | (2,199)                    | 31,694  |    |           |
| 108    | 390.1      | S & I-Leasehold                  |                       |             | 0   | R-93                      | 0                          | 0       |    |           |
| 109    | 390.1      | S & I-Leasehold - SCADA          |                       |             | 0   | R-94                      | 0                          | 0       |    |           |
| 110    | 390.3      | S&I-Misc                         |                       |             | 0   | R-95                      | 0                          | 0       |    |           |
| 111    | 391        | Office Furniture and Equipment   |                       | (7,742)     | 0   | R-96                      | (302)                      | (8,044) |    |           |
| 112    | 391.2      | Computers & Peripheral Equipment |                       | (2,114)     | 0   | R-97                      | 1,641                      | (473)   |    |           |
| 113    | 391.25     | Computer Software                |                       | 4,906       | 0   | R-98                      | 35,514                     | 40,420  |    |           |
| 114    | 391.26     | Computer Software Personal       |                       |             | 0   | R-99                      | 345                        | 345     |    |           |
| 115    | 391.3      | Data Handling Equipment          |                       | 3,302       | 0   | R-100                     | 0                          | 3,302   |    |           |
| 116    | 391.3      | Other Office Equipment           |                       | 30          | 0   | R-101                     | 122                        | 152     |    |           |
| 117    | 392.11     | Trans Equipment-Lt Duty Trucks   |                       | 19,977      | 0   | R-102                     | 851                        | 20,828  |    |           |
| 118    | 392.12     | Trans Equipment-Hvy Duty Trucks  |                       |             | 0   | R-103                     | 0                          | 0       |    |           |
| 119    | 392.2      | Trans Equipment-Autos            |                       | 14,231      | 0   | R-104                     | 1,669                      | 15,900  |    |           |
| 120    | 392.3      | Trans Equipment Other            |                       |             | 0   | R-105                     | 0                          | 0       |    |           |
| 121    | 393        | Stores Equipment                 |                       | 2,394       | 0   | R-106                     | 0                          | 2,394   |    |           |
| 122    | 394        | Tools, Shop & Garage Equipment   |                       | 21,354      | 0   | R-107                     | 72                         | 21,426  |    |           |
| 123    | 394        | Tools, Shop & Garage Equip Other |                       |             | 0   | R-108                     | 0                          | 0       |    |           |
| 124    | 395        | Laboratory Equipment             |                       | (7,245)     | 0   | R-109                     | 0                          | (7,245) |    |           |
| 125    | 395        | Laboratory Equipment Other       |                       |             | 0   | R-110                     | 0                          | 0       |    |           |
| 126    | 396        | Power Operated Equipment         |                       | 10,591      | 0   | R-111                     | 0                          | 10,591  |    |           |
| 127    | 397        | Comm Equipment-Non-Tele          |                       | (9,349)     | 0   | R-112                     | 156                        | (9,193) |    |           |
| 128    | 397.2      | Comm Equipment-Tele              |                       | 17,282      | 0   | R-113                     | 194                        | 17,476  |    |           |
| 129    | 398        | Miscellaneous                    |                       | 2,337       | 0   | R-114                     | 43                         | 2,380   |    |           |
| 130    | 399        | Other Tangible Property          |                       |             | 0   | R-115                     | 0                          | 0       |    |           |
| 131    |            | Total General Plant              | \$                    | 106,329     | \$  | 0                         | \$                         | 38,104  | \$ | 144,433   |
| 132    |            | Not Classified                   |                       |             | 0   | R-116                     | 0                          | 0       |    |           |
| 133    |            | Total Depreciation Reserve       | \$                    | 2,628,159   | \$  | 0                         | \$                         | 42,769  | \$ | 2,670,928 |

Missouri-American Water Company  
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**Adjustments To Reserve**

Mexico

**NO ADJUSTMENTS**



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

| Line | A/C<br>No. | Plant Title                      | District<br>Specific Plant<br>(Acctg Sch 3)<br>(C) | Depreciation<br>Rate<br>(D) | Mexico                                      |      | Corporate<br>Depreciation<br>Distribution<br>(F) | Total District<br>Depreciation<br>(G) |
|------|------------|----------------------------------|--|-----------------------------|---|------|--|---------------------------------------|
|      |            |                                  |  |                             | District<br>Specific<br>Depreciation<br>(E) |      |  |                                       |
| 1    |            | Intangible                       |  |                             |   |      |  |                                       |
| 2    | 301        | Organization                     | \$ 0   | 0.00%                       | \$ 0  | \$ 0 | \$ 0   | \$ 0                                  |
| 3    | 302        | Franchise & Consents             | 0  | 0.00%                       | 0   | 0    | 0  | 0                                     |
| 4    | 303        | Miscellaneous Intangible         | 1,122  | 0.00%                       | 0   | 0    | 0  | 0                                     |
| 5    |            | Total Intangible                 | \$ 1,122   |                             | \$ 0  | \$ 0 | \$ 0   | \$ 0                                  |
| 6    |            | Source of Supply                 |  |                             |   |      |  |                                       |
| 7    | 310        | Land & Land Rights               | \$ 25,516  | 0.00%                       | \$ 0  | \$ 0 | \$ 0   | \$ 0                                  |
| 8    | 311        | Structures & Improvements        | 68,215   | 2.45%                       | 1,671                                       | 0    | 1,671  | 1,671                                 |
| 9    | 312        | Collecting & Impounding Res      | 183  | 1.25%                       | 2   | 0    | 2  | 2                                     |
| 10   | 313        | Lake, River & Other Intakes      | 0  | 1.77%                       | 0   | 0    | 0  | 0                                     |
| 11   | 314        | Wells & Springs                  | 934,615  | 1.67%                       | 15,608                                      | 0    | 15,608   | 15,608                                |
| 12   | 315        | Infiltration Galleries & Tunnels | 0  | 1.67%                       | 0   | 0    | 0  | 0                                     |
| 13   | 316        | Supply Mains                     | 866,809  | 1.60%                       | 13,869                                      | 0    | 13,869   | 13,869                                |
| 14   | 316        | Supply Mains-North Plant         | 0  | 1.60%                       | 0   | 0    | 0  | 0                                     |
| 15   | 316        | Supply Mains-Central Plant       | 0  | 1.60%                       | 0   | 0    | 0  | 0                                     |
| 16   | 316        | Supply Mains-South Plant         | 0  | 1.60%                       | 0   | 0    | 0  | 0                                     |
| 17   | 316        | Supply Mains-Meramec Plant       | 0  | 1.60%                       | 0   | 0    | 0  | 0                                     |
| 18   | 317        | Other Source of Supply Plant     | 1,730  | 4.00%                       | 69  | 0    | 69   | 69                                    |
| 19   |            | Total Source of Supply           | \$ 1,897,068                                       |                             | \$ 31,220                                   | \$ 0 | \$ 31,220  | \$ 31,220                             |
| 20   |            | Pumping                          |  |                             |   |      |  |                                       |
| 21   | 320        | Land & Land Rights               | \$ 58,808  | 0.00%                       | \$ 0  | \$ 0 | \$ 0   | \$ 0                                  |
| 22   | 321        | S & I-Plant                      | 73,206   | 1.73%                       | 1,266                                       | 0    | 1,266  | 1,266                                 |
| 23   | 321.1      | S & I-Pumps (STL)                | 0  | 1.73%                       | 0   | 0    | 0  | 0                                     |
| 24   | 321.2      | S & I-Boosters                   | 0  | 1.73%                       | 0   | 0    | 0  | 0                                     |
| 25   | 322        | Boiler Equipment                 | 0  | 2.00%                       | 0   | 0    | 0  | 0                                     |
| 26   | 323        | Other Power Prod. Equip.         | 5,353  | 2.00%                       | 107   | 0    | 107  | 107                                   |
| 27   | 324        | Steam Pumping Equipment          | 0  | 0.00%                       | 0   | 0    | 0  | 0                                     |
| 28   | 325.1      | Electric Pumping Equipment       | 741,464  | 2.44%                       | 18,092                                      | 0    | 18,092   | 18,092                                |
| 29   | 325.2      | Pumping Equipment-Pre '46        | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 30   | 325.3      | Pumping Equipment-Post '46       | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 31   | 325        | Pumping Equipment-Booster        | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 32   | 326        | Diesel Pumping Equipment         | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 33   | 326        | Dsl Pump Equip-Stratman          | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 34   | 326        | Dsl Pump Equip-Central Plant     | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 35   | 327        | Pump Equip Hydraulic             | 0  | 2.44%                       | 0   | 0    | 0  | 0                                     |
| 36   | 328        | Other Pumping Equipment          | 33,882   | 2.44%                       | 827   | 0    | 827  | 827                                   |
| 37   |            | Total Pumping                    | \$ 912,713   |                             | \$ 20,292                                   | \$ 0 | \$ 20,292  | \$ 20,292                             |
| 38   |            | Water Treatment Plant            |  |                             |   |      |  |                                       |
| 39   | 330        | Land & Land Rights               | \$ 13,920  | 0.00%                       | \$ 0  | \$ 0 | \$ 0   | \$ 0                                  |
| 40   | 331        | Structures & Improvements        | 3,361,873  | 1.63%                       | 54,799                                      | 0    | 54,799   | 54,799                                |
| 41   | 331        | S & I - North Plant              | 0  | 1.63%                       | 0   | 0    | 0  | 0                                     |
| 42   | 331        | S & I-Central 1 & 2              | 0  | 1.63%                       | 0   | 0    | 0  | 0                                     |
| 43   | 331        | S & I-Central 3                  | 0  | 1.63%                       | 0   | 0    | 0  | 0                                     |
| 44   | 331        | S & I-South Plant                | 0  | 1.63%                       | 0   | 0    | 0  | 0                                     |
| 45   | 331        | S & I-Meramac                    | 0  | 1.63%                       | 0   | 0    | 0  | 0                                     |
| 46   | 332        | WT Equip Non-Media               | 2,488,498  | 2.78%                       | 69,180                                      | 0    | 69,180   | 69,180                                |
| 47   | 332        | WT Equip-North Plant             | 0  | 2.78%                       | 0   | 0    | 0  | 0                                     |
| 48   | 332        | WT Equip-Central 1 & 2           | 0  | 2.78%                       | 0   | 0    | 0  | 0                                     |
| 49   | 332        | WT Equip-Central 3               | 0  | 2.78%                       | 0   | 0    | 0  | 0                                     |
| 50   | 332        | WT Equip-South Plant             | 0  | 2.78%                       | 0   | 0    | 0  | 0                                     |
| 51   | 332        | WT Equip-Meramac                 | 0  | 2.78%                       | 0   | 0    | 0  | 0                                     |
| 52   | 332        | Other P/E Hand Equipment         | 23,864   | 3.33%                       | 795   | 0    | 795  | 795                                   |
| 53   | 332.4      | Equipment Filter Media           | 69,180   | 2.78%                       | 1,923                                       | 0    | 1,923  | 1,923                                 |
| 54   |            | Total Water Treatment Plant      | \$ 5,957,335                                       |                             | \$ 126,697                                  | \$ 0 | \$ 126,697                                       | \$ 126,697                            |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Expense

| Line | A/C No. | Plant Title                         | District Specific Plant (Acctg Sch 3) | Depreciation Rate | Mexico                         |      | Corporate Depreciation Distribution | Total District Depreciation |
|------|---------|-------------------------------------|---------------------------------------|-------------------|--------------------------------|------|-------------------------------------|-----------------------------|
|      |         |                                     |                                       |                   | District Specific Depreciation |      |                                     |                             |
|      | (A)     | (B)                                 | (C)                                   | (D)               | (E)                            |      | (F)                                 | (G)                         |
| 55   |         | Transmission & Distribution         |                                       |                   |                                |      |                                     |                             |
| 56   | 340     | Land & Land Rights                  | \$ 13,336                             | 0.00%             | \$ 0                           | \$ 0 | \$ 0                                | \$ 0                        |
| 57   | 341     | Structures & Improvements           | 69,287                                | 2.67%             | 1,850                          | 0    | 1,850                               |                             |
| 58   | 341.63  | S & I-Spec Cross                    | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 59   | 342     | Distr. Res. & Standpipes            | 304,708                               | 2.25%             | 6,856                          | 0    | 6,856                               |                             |
| 60   | 342     | Rsvr & Standpipe-Elev               | 46,971                                | 2.25%             | 1,057                          | 0    | 1,057                               |                             |
| 61   | 342     | Rsvr & Standpipe-Ground             | 19,616                                | 2.25%             | 441                            | 0    | 441                                 |                             |
| 62   | 343     | T & D Mains (Not Classified)        | 2,718,252                             | 1.50%             | 40,774                         | 0    | 40,774                              |                             |
| 63   | 343.1   | T & D Mains - 4" & Less             | 182,724                               | 1.50%             | 2,741                          | 0    | 2,741                               |                             |
| 64   | 343.1   | T & D Mains AC 4 (STL)              | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 65   | 343.1   | T & D Mains Galv 1 (STL)            | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 66   | 343.2   | T & D Mains - 6" to 8"              | 909,483                               | 1.50%             | 13,642                         | 0    | 13,642                              |                             |
| 67   | 343.2   | CI-10" & Smaller-1900-1928          | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 68   | 343.2   | CI-10" & Smaller 1929-1956          | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 69   | 343.2   | CI-10" & Smaller-1957-1993          | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 70   | 343.2   | T & D Mains - DI 6-8 (STL)          | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 71   | 343.2   | T & D Mains - DI 6-10" (TN)         | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 72   | 343.2   | T & D Mains - PL 6-8" (STL)         | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 73   | 343.3   | T & D Mains - 10" to 16"            | 707,992                               | 1.50%             | 10,620                         | 0    | 10,620                              |                             |
| 74   | 343.3   | T & D Mains - 18" & Greater         | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 75   | 343.3   | CI-12" (STL)                        | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 76   | 343.3   | CI-16" (STL)                        | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 77   | 343.3   | T & D Mains - DI 12 (STL)           | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 78   | 343.3   | T & D Mains - DI 16 & Greater (STL) | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 79   | 343.3   | T & D Mains - LJ 20 (STL)           | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 80   | 343.3   | T & D Mains - PL 12 (STL)           | 0                                     | 1.50%             | 0                              | 0    | 0                                   |                             |
| 81   | 344     | Fire Mains                          | 30,970                                | 1.50%             | 465                            | 0    | 465                                 |                             |
| 82   | 345     | Services                            | 1,664,804                             | 3.08%             | 51,276                         | 0    | 51,276                              |                             |
| 83   | 346.1   | Meters-Bronze Case                  | 364,606                               | 2.43%             | 8,860                          | 0    | 8,860                               |                             |
| 84   | 346.2   | Meters-Plastic Case                 | 0                                     | 2.43%             | 0                              | 0    | 0                                   |                             |
| 85   | 346.3   | Meters-Other                        | 72,150                                | 2.43%             | 1,753                          | 0    | 1,753                               |                             |
| 86   | 346.3   | Meters-Remote (ARB's)               | 0                                     | 2.43%             | 0                              | 0    | 0                                   |                             |
| 87   | 347.1   | Meter Install                       | 801,924                               | 2.43%             | 19,487                         | 0    | 19,487                              |                             |
| 88   | 347.2   | Meter Install-Other                 | 0                                     | 2.43%             | 0                              | 0    | 0                                   |                             |
| 89   | 348     | Hydrants                            | 374,686                               | 1.92%             | 7,194                          | 0    | 7,194                               |                             |
| 90   | 349     | Other T&D Plant                     | 11,797                                | 2.00%             | 236                            | 0    | 236                                 |                             |
| 91   |         | Total Transmission & Distribution   | \$ 8,293,306                          |                   | \$ 167,251                     | \$ 0 | \$ 167,251                          |                             |
| 92   |         | Sewer Plant                         |                                       |                   |                                |      |                                     |                             |
| 93   | 351.0   | Structures & Improvements           | \$ 0                                  | 0.00%             | \$ 0                           | \$ 0 | \$ 0                                |                             |
| 94   | 352.1   | Collection Sewers Forced            | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 95   | 352.2   | Collecting Mains                    | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 96   | 352.2   | Collecting Mains Other              | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 97   | 353.0   | Service to Customers                | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 98   | 363.0   | Electric Pumping Equipment          | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 99   | 370.1   | Land & Land Rights                  | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 100  | 372     | T&D Equipment                       | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 101  | 372.0   | T&D Equipment Influent Lift         | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 102  | 374     | Outfall Sewer Lines                 | 0                                     | 0.00%             | 0                              | 0    | 0                                   |                             |
| 103  |         | Total Sewer Plant                   | \$ 0                                  |                   | \$ 0                           | \$ 0 | \$ 0                                |                             |
| 104  |         | General Plant                       |                                       |                   |                                |      |                                     |                             |
| 105  | 389     | Land & Land Rights                  | \$ 2,057                              | 0.00%             | \$ 0                           | \$ 0 | \$ 0                                |                             |
| 106  | 390     | S&I-Store, Shop & Garage            | 24,657                                | 2.40%             | 592                            | 0    | 592                                 |                             |
| 107  | 390.1   | S & I-Offices                       | 122,345                               | 2.40%             | 2,936                          | 0    | 2,936                               |                             |
| 108  | 390.1   | S & I-Leasehold                     | 0                                     | 5.00%             | 0                              | 0    | 0                                   |                             |

Missouri-American Water Company  
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Depreciation Expense

| Line | A/C<br>No. | Plant Title                      | District<br>Specific Plant<br>(Acctg Sch 3) | Depreciation<br>Rate | Mexico                               |   | Total District<br>Depreciation |
|------|------------|----------------------------------|---|----------------------|--------------------------------------|---|--------------------------------|
|      |            |                                  |   |                      | District<br>Specific<br>Depreciation | Corporate<br>Depreciation<br>Distribution |                                |
|      | (A)        | (B)                              | (C)   | (D)                  | (E)                                  | (F)                                       | (G)                            |
| 109  | 390.1      | S & I-Leasehold - SCADA          | 0   | 5.00%                | 0                                    | 0   | 0                              |
| 110  | 390.3      | S&I-Misc                         | 0   | 2.40%                | 0                                    | 0   | 0                              |
| 111  | 391        | Office Furniture and Equipment   | 1,849                                       | 4.00%                | 74                                   | 413                                       | 487                            |
| 112  | 391.2      | Computers & Peripheral Equipment | 27,395                                      | 14.29%               | 3,915                                | 4,523                                     | 8,437                          |
| 113  | 391.25     | Computer Software                | 31,048                                      | 14.29%               | 4,437                                | 11,896                                    | 16,333                         |
| 114  | 391.26     | Computer Software Personal       | 0   | 14.29%               | 0                                    | 231                                       | 231                            |
| 115  | 391.3      | Data Handling Equipment          | 35,936                                      | 6.67%                | 2,397                                | 0   | 2,397                          |
| 116  | 391.3      | Other Office Equipment           | 8,196                                       | 6.67%                | 547                                  | 13  | 560                            |
| 117  | 392.11     | Trans Equipment-Lt Duty Trucks   | 22,859                                      | 0.00%                | 0                                    | 0   | 0                              |
| 118  | 392.12     | Trans Equipment-Hvy Duty Trucks  | 0   | 8.33%                | 0                                    | 0   | 0                              |
| 119  | 392.2      | Trans Equipment-Autos            | 16,428                                      | 0.00%                | 0                                    | 0   | 0                              |
| 120  | 392.3      | Trans Equipment Other            | 0   | 0.00%                | 0                                    | 0   | 0                              |
| 121  | 393        | Stores Equipment                 | 11,065                                      | 2.86%                | 316                                  | 0   | 316                            |
| 122  | 394        | Tools, Shop & Garage Equipment   | 43,678                                      | 5.00%                | 2,184                                | 11  | 2,195                          |
| 123  | 394        | Tools, Shop & Garage Equip Other | 0   | 5.00%                | 0                                    | 0   | 0                              |
| 124  | 395        | Laboratory Equipment             | 14,270                                      | 4.00%                | 571                                  | 0   | 571                            |
| 125  | 395        | Laboratory Equipment Other       | 0   | 4.00%                | 0                                    | 0   | 0                              |
| 126  | 396        | Power Operated Equipment         | 8,027                                       | 6.82%                | 547                                  | 0   | 547                            |
| 127  | 397        | Comm Equipment-Non-Tele          | 20,164                                      | 5.00%                | 1,008                                | 2   | 1,010                          |
| 128  | 397.2      | Comm Equipment-Tele              | 3,693                                       | 6.67%                | 246                                  | 32  | 278                            |
| 129  | 398        | Miscellaneous                    | 8,045                                       | 5.00%                | 402                                  | 7   | 410                            |
| 130  | 399        | Other Tangible Property          | 0   | 5.00%                | 0                                    | 0   | 0                              |
| 131  |            | Total General Plant              | \$ 401,712                                  |                      | \$ 20,172                            | \$ 17,128                                 | \$ 37,300                      |
| 132  |            | Total Depreciation Expense       | \$ 17,463,256                               |                      | \$ 365,632                           | \$ 17,128                                 | \$ 382,760                     |

Missouri-American Water Company  
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**Cash Working Capital**

|      |  |                                       |                       |                       |                                    |                            | Mexico   |
|------|--|---------------------------------------|-----------------------|-----------------------|------------------------------------|----------------------------|--|
| Line | Description<br>(A)   | Adjusted Test<br>Year Expenses<br>(B) | Revenue<br>Lag<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(E)<br>{(C)-(D)} | Factor<br>(F)<br>{(E)/(B)} | Cash Working<br>Capital<br>Requirement<br>(G)<br>{(B)*(F)} |
| 1    | Operation & Maintenance Expense  |                                       |                       |                       |                                    |                            |  |
| 2    | Base Payroll   | \$ 157,382                            | 38.03                 | 13.00                 | 25.03                              | 0.0686                     | \$ 10,796  |
| 3    | Payroll Withholdings:  |                                       |                       |                       |                                    |                            |  |
| 4    | FICA - Employee Portion  | 21,162                                | 38.03                 | 16.19                 | 21.84                              | 0.0598                     | 1,265  |
| 5    | Federal Income Taxes Withheld  | 51,614                                | 38.03                 | 16.19                 | 21.84                              | 0.0598                     | 3,087  |
| 6    | State Income Taxes Withheld  | 16,751                                | 38.03                 | 18.19                 | 19.84                              | 0.0544                     | 911  |
| 7    | 401(k)   | 30,003                                | 38.03                 | 38.82                 | (0.79)                             | (0.0022)                   | (66)   |
| 8    | EIP  | 2,320                                 | 38.03                 | 38.82                 | (0.79)                             | (0.0022)                   | (5)  |
| 9    | Fuel & Power   | 176,562                               | 38.03                 | 37.20                 | 0.83                               | 0.0023                     | 406  |
| 10   | Chemicals  | 64,323                                | 38.03                 | 38.03                 | 0.00                               | 0.0000                     | 0  |
| 11   | Materials and Supplies   | 108,731                               | 38.03                 | 38.03                 | 0.00                               | 0.0000                     | 0  |
| 12   | Purchased Water  | 0                                     | 38.03                 | 42.45                 | (4.42)                             | (0.0121)                   | 0  |
| 13   | Management Fees  | 337,105                               | 38.03                 | 21.41                 | 16.62                              | 0.0455                     | 15,338   |
| 14   | Group Insurance  | 77,870                                | 38.03                 | (7.50)                | 45.53                              | 0.1247                     | 9,710  |
| 15   | OPEB's   | 14,032                                | 38.03                 | 3.41                  | 34.62                              | 0.0948                     | 1,330  |
| 16   | Pensions   | 39,482                                | 38.03                 | 17.58                 | 20.45                              | 0.0560                     | 2,211  |
| 17   | EIP - Employer Match   | (515)                                 | 38.03                 | 38.82                 | (0.79)                             | (0.0022)                   | 1  |
| 18   | 401(k) - Employer Match  | 4,219                                 | 38.03                 | 38.82                 | (0.79)                             | (0.0022)                   | (9)  |
| 19   | Insurance Other Than Group   | 52,603                                | 38.03                 | 42.44                 | (4.41)                             | (0.0121)                   | (636)  |
| 20   | Uncollectible Accounts   | 29,707                                | 38.03                 | 38.03                 | 0.00                               | 0.0000                     | 0  |
| 21   | Rents  | 5,734                                 | 38.03                 | (9.96)                | 47.99                              | 0.1315                     | 754  |
| 22   | Cash Vouchers  | 244,996                               | 38.03                 | 21.41                 | 16.62                              | 0.0455                     | 11,147   |
| 23   | Total Operation & Maintenance Expense                                  | \$ 1,434,080                          |                       |                       |                                    |                            | \$ 56,240  |
| 24   | Taxes Other Than Income  |                                       |                       |                       |                                    |                            |  |
| 25   | FICA - Employer Portion  | 21,162                                | 38.03                 | 16.19                 | 21.84                              | 0.0598                     | \$ 1,265   |
| 26   | Federal Unemployment   | 318                                   | 38.03                 | 76.38                 | (38.35)                            | (0.1051)                   | (33)   |
| 27   | State Unemployment   | 811                                   | 38.03                 | 76.38                 | (38.35)                            | (0.1051)                   | (85)   |
| 28   | Property Taxes   | 129,022                               | 38.03                 | 182.50                | (144.47)                           | (0.3958)                   | (51,067)   |
| 29   | Franchise Tax  | 4,553                                 | 38.03                 | (77.50)               | 115.53                             | 0.3165                     | 1,441  |
| 30   | PSC Assessment   | 17,114                                | 38.03                 | (31.63)               | 69.66                              | 0.1908                     | 3,265  |
| 31   | Total Taxes Other Than Income  | \$ 172,980                            |                       |                       |                                    |                            | \$ (45,214)  |
| 32   | Other Expenses   |                                       |                       |                       |                                    |                            |  |
| 33   | Gross Receipts Tax   | 161,436                               | 21.90                 | 47.37                 | (25.47)                            | (0.0698)                   | (11,268)   |
| 34   | Sales Tax  | 12,408                                | 0.00                  | 8.12                  | (8.12)                             | (0.0222)                   | (275)  |
| 35   | Missouri Primacy Fees  | 16,000                                | 21.90                 | 243.50                | (221.60)                           | (0.6071)                   | (9,714)  |
| 36   | Total Other Expenses   | \$ 189,844                            |                       |                       |                                    |                            | \$ (21,257)  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |                                       |                       |                       |                                    |                            | <b>\$ (10,231)</b>   |
| 38   | Interest Expense   | \$ 342,378                            | 38.03                 | 108.85                | (70.82)                            | (0.1940)                   | \$ (66,421)  |
| 39   | Federal Income Tax   | \$ 231,297                            | 38.03                 | 37.00                 | 1.03                               | 0.0028                     | \$ 648   |
| 40   | State Income Tax   | \$ 36,347                             | 38.03                 | 58.95                 | (20.92)                            | (0.0573)                   | \$ (2,083)   |

Missouri-American Water Company  
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Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Statement**

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Mexico<br>Adjustment |            | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>{(B)+(C)+(E)}<br>(F) |
|------|--------------------------------|--|----------------------|------------|--|--|
|      |                                |  | Amount<br>(C)        | No.<br>(D) |  |  |
| 1    | Operating Revenues:            |  |                      |            |  |  |
| 2    | Residential Revenue            | \$ 1,188,315                           | \$ 34,063            | S-1        | \$ 0   | \$ 1,222,378                                     |
| 3    | Commercial Revenue             | 346,722                                | (5,711)              | S-2        | 0  | 341,011  |
| 4    | Industrial Revenue             | 377,233                                | (2,512)              | S-3        | 0  | 374,721  |
| 5    | Private Fire                   | 88,572                                 | 0                    | S-4        | 0  | 88,572   |
| 6    | Public Fire                    | 0                                      | 0                    | S-5        | 0  | 0  |
| 7    | Public Authorities             | 195,325                                | (650)                | S-6        | 0  | 194,675  |
| 8    | Sales For Resale               | 296,820                                | 17,270               | S-7        | 0  | 314,090  |
| 9    | Other Revenue                  | 46,679                                 | 0                    | S-8        | 2,164  | 48,843   |
| 10   | Total Revenues                 | \$ 2,539,666                           | \$ 42,460            |            | \$ 2,164                                     | \$ 2,584,290                                     |
| 11   | Operating Expenses:            |  |                      |            |  |  |
| 12   | Operation & Maintenance:       |  |                      |            |  |  |
| 13   | Source of Supply               | 211,482                                | (3,370)              | S-9        | 7  | 208,118  |
| 14   | Pumping                        | 55,209                                 | (2,176)              | S-10       | (1,733)                                      | 51,300   |
| 15   | Water Treatment                | 126,354                                | 13,932               | S-11       | 12   | 140,298  |
| 16   | Transmission & Distribution    | 201,964                                | (6,760)              | S-12       | 0  | 195,204  |
| 17   | Customer Accounts              | 51,685                                 | 1,483                | S-13       | 50,053                                       | 103,221  |
| 18   | Administrative & General       | 258,082                                | (11,060)             | S-14       | 488,916                                      | 735,938  |
| 19   | Total O & M Expense            | \$ 904,776                             | \$ (7,951)           |            | \$ 537,255                                   | \$ 1,434,080                                     |
| 20   | Other Operating Expenses:      |  |                      |            |  |  |
| 21   | Depreciation - Plant           | 300,693                                | 48,281               | S-15       | 17,128                                       | 366,101  |
| 22   | Amortization                   | 0                                      | 0                    | S-16       | 1,786  | 1,786  |
| 23   | Taxes Other Than Income        | 150,903                                | (614)                | S-17       | 22,691                                       | 172,980  |
| 24   | Total Other Operating Expense  | \$ 451,596                             | \$ 47,667            |            | \$ 41,605                                    | \$ 540,868                                       |
| 25   | Total Operating Expenses       | 1,356,372                              | 39,716               |            | 578,860                                      | 1,974,948  |
| 26   | Net Income Before Income Taxes | \$ 1,183,294                           | \$ 2,744             |            | \$ (576,696)                                 | \$ 609,342                                       |
| 27   | Income Taxes:                  |  |                      |            |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ 56,314            | S-18       | \$ 34,244                                    | \$ 90,558  |
| 29   | Deferred Income Tax:           |  |                      |            |  |  |
| 30   | Deferred Income Tax Expense    | 0                                      | (29,014)             | S-19       | 41,127                                       | 12,113   |
| 31   | ITC Amortization               | 0                                      | 0                    | S-20       | 0  | 0  |
| 32   | Total Income Taxes             | \$ 0                                   | \$ 27,300            |            | \$ 75,371                                    | \$ 102,672                                       |
| 33   | Net Operating Income           | \$ 1,183,294                           | \$ (24,556)          |            | \$ (652,067)                                 | \$ 506,671                                       |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Income Statement**

|                                |   | Mexico            |                  |
|--------------------------------|---|-------------------|------------------|
| Adjmt No.                      | Description   | Adjustment Amount | Total Adjustment |
| <b>Residential Revenue S-1</b> |   |                   | \$ 34,063        |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 34,058         |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 5                 |                  |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Commercial Revenue S-2</b>  |   |                   | \$ (5,711)       |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ (9,770)        |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 4,059             |                  |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Industrial Revenue S-3</b>  |   |                   | \$ (2,512)       |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ (23,854)       |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 21,342            |                  |
| <b>Private Fire S-4</b>        |   |                   | \$ 0             |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | 0                 |                  |
| <b>Public Fire S-5</b>         |   | 0                 | \$ 0             |
| 1                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Public Authorities S-6</b>  |   |                   | \$ (650)         |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | (650)             |                  |
| 2                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Sales For Resale S-7</b>    |   |                   | \$ 17,270        |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0              |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 17,270            |                  |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Other Revenue S-8</b>       |   |                   | \$ 0             |
| 1                              | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                 |                  |
| <b>Source of Supply S-9</b>    |   |                   | \$ (3,370)       |
| 1                              | To Annualize Payroll (Hanneken)                                     | \$ (3,894)        |                  |
| 2                              | To Normalize Overtime Pay (Hanneken)                                | 524               |                  |

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**Adjustments To Income Statement**

|   |   | Mexico            |                    |
|---|---|-------------------|--------------------|
| Adjmt No.                                   | Description   | Adjustment Amount | Total Adjustment   |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 0                 |                    |
| <b>Pumping S-10</b>                         |   |                   | <b>\$ (2,176)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (83)           |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 11                |                    |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | (2,104)           |                    |
| <b>Water Treatment S-11</b>                 |   |                   | <b>\$ 13,932</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (724)          |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 97                |                    |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 0                 |                    |
| 6   | To Annualize Chemicals Expense (Grissum)                          | 14,559            |                    |
| <b>Transmission &amp; Distribution S-12</b> |   |                   | <b>\$ (6,760)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (7,086)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 953               |                    |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (627)             |                    |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                 |                    |
| <b>Customer Accounts S-13</b>               |   |                   | <b>\$ 1,483</b>    |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (3,057)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 411               |                    |
| 3   | To Annualize Postage Expense (Grissum)                            | 429               |                    |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | 3,700             |                    |
| <b>Administrative &amp; General S-14</b>    |   |                   | <b>\$ (11,060)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ (4,553)        |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 612               |                    |

## Missouri-American Water Company

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**Adjustments To Income Statement**

| Adjmt<br>No.                     | Description   | Mexico               |                     |
|----------------------------------|---|----------------------|---------------------|
|                                  |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                                | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                                | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | 786                  |                     |
| 5                                | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                                | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                                | To Annualize Insurance Other Than Group (Hagemeyer)                 | 3,471                |                     |
| 8                                | To Annualize Other Post Employment Benefits (Hagemeyer)             | 3,669                |                     |
| 9                                | To Annualize Tank Painting Expense (Hagemeyer)                      | (108,090)            |                     |
| 10                               | To Annualize Pension Expense (Hagemeyer)                            | 8,295                |                     |
| 11                               | To Annualize Transportation Leases (Hagemeyer)                      | 2,499                |                     |
| 12                               | To Annualize Waste Disposal Expense (Hagemeyer)                     | 0                    |                     |
| 13                               | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                               | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                               | To Remove Meals, Awards, etc. (Began)                               | (293)                |                     |
| 16                               | To Remove Miscellaneous Expense (Began)                             | 0                    |                     |
| 17                               | To Remove Dues and Donations (Began)                                | (1,478)              |                     |
| 18                               | To Remove Disallowed Promotion Expense (Began)                      | 0                    |                     |
| 19                               | To Remove Disallowed Advertising Expense (Began)                    | 0                    |                     |
| 20                               | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                               | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                               | To Annualize Payroll Tax Expense (Hanneken)                         | 86,274               |                     |
| 23                               | To Annualize Incentive Compensation Expense (Hanneken)              | (2,252)              |                     |
| 24                               | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                               | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                               | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                               | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                               | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant S-15</b> |   | \$                   | <b>48,281</b>       |
| 1                                | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 64,939            |                     |



## Missouri-American Water Company

Case No. WR-2007-0216

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**Adjustments To Income Statement**

Mexico

| Adjmt<br>No.                            | Description  | Adjustment<br>Amount | Total<br>Adjustment |
|---|--|----------------------|---------------------|
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (16,541)             |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (118)                |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ (953)             |                     |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (172)                |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | 511                  |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy )                                       | \$ 56,314            | \$ 56,314           |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ (29,014)          | \$ (29,014)         |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 |                     |
| 2                                       |  | 0                    |                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Tax Calculation**

| Line | Description<br>(A)                             | Test Year<br>(B) | Mexico                 |                        |                        |
|------|--|------------------|------------------------|------------------------|------------------------|
|      |  |                  | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 506,671       | \$ 790,881             | \$ 808,569             | \$ 826,256             |
| 2    | Add:   |                  |                        |                        |                        |
| 3    | Current Income Tax                             | 90,558           | 267,644                | 278,664                | 289,685                |
| 4    | Deferred Income Taxes                          |                  |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | 12,113           | 12,113                 | 12,113                 | 12,113                 |
| 6    | ITC Amortization                               | 0                | 0                      | 0                      | 0                      |
| 7    | Net Income Before Income Tax                   | \$ 609,342       | \$ 1,070,638           | \$ 1,099,346           | \$ 1,128,054           |
| 8    | Additions to Net Income Before Income Tax:     |                  |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 366,101       | \$ 366,101             | \$ 366,101             | \$ 366,101             |
| 10   | Contributions In Aid of Construction           | 0                | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 489              | 489                    | 489                    | 489                    |
| 13   | Other (Describe)                               | 0                | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 366,591       | \$ 366,591             | \$ 366,591             | \$ 366,591             |
| 16   | Subtractions to Net Income Before Income Tax:  |                  |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 342,378       | \$ 342,378             | \$ 342,378             | \$ 342,378             |
| 18   | Tax Straight Line Depreciation                 | 366,101          | 366,101                | 366,101                | 366,101                |
| 19   | Tax Depreciation in Excess of Straight Line    | 31,554           | 31,554                 | 31,554                 | 31,554                 |
| 20   | Cost of Removal                                | 0                | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 740,034       | \$ 740,034             | \$ 740,034             | \$ 740,034             |
| 24   | Net Taxable Income                             | \$ 235,899       | \$ 697,195             | \$ 725,903             | \$ 754,611             |
| 25   | Provision for Federal Income Tax               |                  |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ 235,899       | \$ 697,195             | \$ 725,903             | \$ 754,611             |
| 27   | Deduct Missouri Income Tax @ 100.00%           | 12,298           | 36,347                 | 37,843                 | 39,340                 |
| 28   | Federal Taxable Income                         | \$ 223,601       | \$ 660,848             | \$ 688,060             | \$ 715,271             |
| 29   | Federal Income Tax @ 35.00%                    | \$ 78,260        | \$ 231,297             | \$ 240,821             | \$ 250,345             |
| 30   | Provision for Missouri Income Tax              |                  |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ 235,899       | \$ 697,195             | \$ 725,903             | \$ 754,611             |
| 32   | Deduct Federal Income Tax @ 50.00%             | 39,130           | 115,648                | 120,410                | 125,172                |
| 33   | Missouri Taxable Income                        | \$ 196,769       | \$ 581,547             | \$ 605,493             | \$ 629,439             |
| 34   | Missouri Income Tax @ 6.25%                    | \$ 12,298        | \$ 36,347              | \$ 37,843              | \$ 39,340              |
| 35   | Summary of Provision For Income Tax            |                  |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ 78,260        | \$ 231,297             | \$ 240,821             | \$ 250,345             |
| 37   | State Income Tax                               | 12,298           | 36,347                 | 37,843                 | 39,340                 |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ 90,558</b> | <b>\$ 267,644</b>      | <b>\$ 278,664</b>      | <b>\$ 289,685</b>      |

# **PARKVILLE WATER**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Revenue Requirement

| Line | (A)  | Parkville Water               |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 12,176,353                 | \$ 12,176,353                 | \$ 12,176,353                 |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 762,240                    | \$ 779,287                    | \$ 796,333                    |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 812,138                       | 812,138                       | 812,138                       |
| 5    | Additional Net Operating Income Requirement                    | \$ (49,898)                   | \$ (32,851)                   | \$ (15,804)                   |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 240,608                    | \$ 251,229                    | \$ 261,851                    |
| 8    | Test Year Current Income Tax                                   | 271,698                       | 271,698                       | 271,698                       |
| 9    | Additional Current Income Tax Requirement                      | \$ (31,090)                   | \$ (20,469)                   | \$ (9,847)                    |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ (80,988)                   | \$ (53,320)                   | \$ (25,652)                   |
| 11   | Allowance for True-up  | \$ 495,301                    | \$ 495,301                    | \$ 495,301                    |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ 414,313</b>             | <b>\$ 441,981</b>             | <b>\$ 469,649</b>             |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 3,199,678                  | \$ 3,199,678                  | \$ 3,199,678                  |
| 14   | Total Gross Revenue Requirement                                | \$ 3,613,991                  | \$ 3,641,659                  | \$ 3,669,328                  |

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Rate Base

| Line | Description<br>(A)  | Parkville Water        |                                  |                      |
|------|---|------------------------|----------------------------------|----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)         |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 23,350,591          | \$ 114,115                       | \$ 23,464,706        |
| 2    | Less:   |                        |                                  | 0                    |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 4,112,438              | 35,653                           | 4,148,091            |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                    |
| 5    | Net Plant in Service  | \$ 19,238,153          | \$ 78,463                        | \$ 19,316,616        |
| 6    | Add:  |                        |                                  |                      |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ (104,281)           | \$                               | \$ (104,281)         |
| 8    | Materials and Supplies  | 7,903                  | 250                              | 8,153                |
| 9    | Prepayments   |                        | 7,824                            | 7,824                |
| 10   | Deferred OPEB Asset   |                        | 47,539                           | 47,539               |
| 11   | Other   |                        | 0                                | 0                    |
| 12   | Other   |                        | 0                                | 0                    |
| 13   | Other   |                        | 0                                | 0                    |
| 14   | Total Additions to Net Plant in Service                       | \$ (96,378)            | \$ 55,613                        | \$ (40,765)          |
| 15   | Deduct:   |                        |                                  |                      |
| 16   | Interest Offset (From Accounting Schedule 9)                  | \$ 62,366              | \$                               | \$ 62,366            |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (1,643)                |                                  | (1,643)              |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 1,709                  |                                  | 1,709                |
| 19   | Contributions In Aid of Construction:                         | 2,834,776              | 0                                | 2,834,776            |
| 20   | Customer Advances   | 2,526,602              | (138)                            | 2,526,464            |
| 21   | Customer Deposits   |                        | 0                                | 0                    |
| 22   | Pre-71 ITC  |                        | 0                                | 0                    |
| 23   | Deferred Income Taxes   |                        | 1,561,991                        | 1,561,991            |
| 24   | Accrued Pension Liability                                     |                        | 113,835                          | 113,835              |
| 25   | Other   |                        | 0                                | 0                    |
| 26   | Other   |                        | 0                                | 0                    |
| 27   | Other   |                        | 0                                | 0                    |
| 28   | Total Deductions to Net Plant in Service                      | \$ 5,423,810           | \$ 1,675,688                     | \$ 7,099,498         |
| 29   | <b>Total Rate Base</b>  | <b>\$ 13,717,965</b>   | <b>\$ (1,541,612)</b>            | <b>\$ 12,176,353</b> |

Missouri-American Water Company  
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Plant In Service

Parkville Water

| Line | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(G)=(C)+(F) |
|------|------------|----------------------------------|------------------------------|---------------|------------|----------------------------------|----------------------------|
|      |            |                                  |                              | Amount<br>(D) | No.<br>(E) |                                  |                            |
| 1    |            | Intangible                       |                              |               |            |                                  |                            |
| 2    | 301        | Organization                     | \$                           | \$            | P-1        | \$                               | \$                         |
| 3    | 302        | Franchise & Consents             | 13                           | 0             | P-2        | 0                                | 13                         |
| 4    | 303        | Miscellaneous Intangible         |                              | 0             | P-3        | 3,241                            | 3,241                      |
| 5    |            | Total Intangible                 | \$ 13                        | \$ 0          |            | \$ 5,311                         | \$ 5,324                   |
| 6    |            | Source of Supply                 |                              |               |            |                                  |                            |
| 7    | 310        | Land & Land Rights               | \$ 1,735                     | \$ 0          | P-4        | \$ 0                             | \$ 1,735                   |
| 8    | 311        | Structures & Improvements        | 18,918                       | 0             | P-5        | 0                                | 18,918                     |
| 9    | 312        | Collecting & Impounding Res      |                              | 0             | P-6        | 0                                | 0                          |
| 10   | 313        | Lake, River & Other Intakes      |                              | 0             | P-7        | 0                                | 0                          |
| 11   | 314        | Wells & Springs                  | 212,700                      | 0             | P-8        | 0                                | 212,700                    |
| 12   | 315        | Infiltration Galleries & Tunnels |                              | 0             | P-9        | 0                                | 0                          |
| 13   | 316        | Supply Mains                     | 166,827                      | 0             | P-9        | 0                                | 166,827                    |
| 14   | 316        | Supply Mains-North Plant         |                              | 0             | P-10       | 0                                | 0                          |
| 15   | 316        | Supply Mains-Central Plant       |                              | 0             | P-11       | 0                                | 0                          |
| 16   | 316        | Supply Mains-South Plant         |                              | 0             | P-12       | 0                                | 0                          |
| 17   | 316        | Supply Mains-Meramec Plant       |                              | 0             | P-13       | 0                                | 0                          |
| 18   | 317        | Other Source of Supply Plant     |                              | 0             | P-14       | 0                                | 0                          |
| 19   |            | Total Source of Supply           | \$ 400,180                   | \$ 0          |            | \$ 0                             | \$ 400,180                 |
| 20   |            | Pumping                          |                              |               |            |                                  |                            |
| 21   | 320        | Land & Land Rights               | \$                           | \$            | P-15       | \$                               | \$                         |
| 22   | 321        | S & I-Plant                      | 18,382                       | 0             | P-16       | 0                                | 18,382                     |
| 23   | 321.1      | S & I-Pumps (STL.)               |                              | 0             | P-17       | 0                                | 0                          |
| 24   | 321.2      | S & I-Boosters                   |                              | 0             | P-18       | 0                                | 0                          |
| 25   | 322        | Boiler Equipment                 |                              | 0             | P-19       | 0                                | 0                          |
| 26   | 323        | Other Power Prod. Equip.         |                              | 0             | P-20       | 0                                | 0                          |
| 27   | 324        | Steam Pumping Equipment          |                              | 0             | P-21       | 0                                | 0                          |
| 28   | 325.1      | Electric Pumping Equipment       | 765,768                      | 0             | P-22       | 0                                | 765,768                    |
| 29   | 325.2      | Pumping Equipment-Pre '46        |                              | 0             | P-23       | 0                                | 0                          |
| 30   | 325.3      | Pumping Equipment-Post '46       |                              | 0             | P-24       | 0                                | 0                          |
| 31   | 325        | Pumping Equipment-Booster        |                              | 0             | P-25       | 0                                | 0                          |
| 32   | 326        | Diesel Pumping Equipment         | 12,817                       | 0             | P-26       | 0                                | 12,817                     |
| 33   | 326        | Dsl Pump Equip-Stratman          |                              | 0             | P-27       | 0                                | 0                          |
| 34   | 326        | Dsl Pump Equip-Central Plant     |                              | 0             | P-28       | 0                                | 0                          |
| 35   | 327        | Pump Equip Hydraulic             | 81,548                       | 0             | P-29       | 0                                | 81,548                     |
| 36   | 328        | Other Pumping Equipment          | 68,949                       | 0             | P-30       | 0                                | 68,949                     |
| 37   |            | Total Pumping                    | \$ 947,464                   | \$ 0          |            | \$ 0                             | \$ 947,464                 |
| 38   |            | Water Treatment Plant            |                              |               |            |                                  |                            |
| 39   | 330        | Land & Land Rights               | \$ 432                       | \$ 0          | P-31       | \$ 0                             | \$ 432                     |
| 40   | 331        | Structures & Improvements        | 476,166                      | 0             | P-32       | 0                                | 476,166                    |
| 41   | 331        | S & I - North Plant              |                              | 0             | P-33       | 0                                | 0                          |
| 42   | 331        | S & I-Central 1 & 2              |                              | 0             | P-34       | 0                                | 0                          |
| 43   | 331        | S & I-Central 3                  |                              | 0             | P-35       | 0                                | 0                          |
| 44   | 331        | S & I-South Plant                |                              | 0             | P-36       | 0                                | 0                          |
| 45   | 331        | S & I-Meramac                    |                              | 0             | P-37       | 0                                | 0                          |
| 46   | 332        | WT Equip Non-Media               | 2,389,403                    | 0             | P-38       | 0                                | 2,389,403                  |
| 47   | 332        | WT Equip-North Plant             |                              | 0             | P-39       | 0                                | 0                          |

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Plant In Service

Parkville Water

| Line | A/C<br>No | Plant Title                         | Balance<br>12/31/2006<br>(C) | Adjustments   |           | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-----------|-------------------------------------|------------------------------|---------------|-----------|----------------------------------|-----------------------------------|
|      |           |                                     |                              | Amount<br>(D) | No<br>(E) |                                  |                                   |
| 48   | 332       | WT Equip-Central 1 & 2              |                              | 0             | P-40      | 0                                | 0                                 |
| 49   | 332       | WT Equip-Central 3                  |                              | 0             | P-41      | 0                                | 0                                 |
| 50   | 332       | WT Equip-South Plant                |                              | 0             | P-42      | 0                                | 0                                 |
| 51   | 332       | WT Equip-Meramac                    |                              | 0             | P-43      | 0                                | 0                                 |
| 52   | 332       | Other P/E Hand Equipment            |                              | 0             | P-44      | 0                                | 0                                 |
| 53   | 332.4     | Equipment Filter Media              | 69,579                       | 0             | P-45      | 0                                | 69,579                            |
| 54   |           | Total Water Treatment Plant         | \$ 2,935,580                 | \$ 0          |           | \$ 0                             | \$ 2,935,580                      |
| 55   |           | Transmission & Distribution         |                              |               |           |                                  |                                   |
| 56   | 340       | Land & Land Rights                  | \$ 35,898                    | \$ 0          | P-46      | \$ 0                             | \$ 35,898                         |
| 57   | 341       | Structures & Improvements           | 147,896                      | 0             | P-47      | 0                                | 147,896                           |
| 58   | 341.63    | S & I-Spec Cross                    |                              | 0             | P-48      | 0                                | 0                                 |
| 59   | 342       | Distr. Res. & Standpipes            | 1,050,805                    | 0             | P-49      | 0                                | 1,050,805                         |
| 60   | 342       | Rsvr & Standpipe-Elev               | 87,707                       | 0             | P-50      | 0                                | 87,707                            |
| 61   | 342       | Rsvr & Standpipe-Ground             | 53,347                       | 0             | P-51      | 0                                | 53,347                            |
| 62   | 343       | T & D Mains (Not Classified)        | 3,500,292                    | 0             | P-52      | 0                                | 3,500,292                         |
| 63   | 343.1     | T & D Mains - 4" & Less             | 287,636                      | 0             | P-53      | 0                                | 287,636                           |
| 64   | 343.1     | T & D Mains AC 4 (STL)              |                              | 0             | P-54      | 0                                | 0                                 |
| 65   | 343.1     | T & D Mains Galv 1 (STL)            |                              | 0             | P-55      | 0                                | 0                                 |
| 66   | 343.2     | T & D Mains - 6" to 8"              | 3,033,376                    | 0             | P-56      | 0                                | 3,033,376                         |
| 67   | 343.2     | CI-10" & Smaller-1900-1928          |                              | 0             | P-57      | 0                                | 0                                 |
| 68   | 343.2     | CI-10" & Smaller 1929-1956          |                              | 0             | P-58      | 0                                | 0                                 |
| 69   | 343.2     | CI-10" & Smaller-1957-1993          |                              | 0             | P-59      | 0                                | 0                                 |
| 70   | 343.2     | T & D Mains - DI 6-8 (STL)          |                              | 0             | P-60      | 0                                | 0                                 |
| 71   | 343.2     | T & D Mains - DI 6-10" (TN)         |                              | 0             | P-61      | 0                                | 0                                 |
| 72   | 343.2     | T & D Mains - PL 6-8" (STL)         |                              | 0             | P-62      | 0                                | 0                                 |
| 73   | 343.3     | T & D Mains - 10" to 16"            | 4,859,652                    | 0             | P-63      | 0                                | 4,859,652                         |
| 74   | 343.3     | T & D Mains - 18" & Greater         |                              | 0             | P-64      | 0                                | 0                                 |
| 75   | 343.3     | CI-12" (STL)                        |                              | 0             | P-65      | 0                                | 0                                 |
| 76   | 343.3     | CI-16" (STL)                        |                              | 0             | P-66      | 0                                | 0                                 |
| 77   | 343.3     | T & D Mains - DI 12 (STL)           |                              | 0             | P-66      | 0                                | 0                                 |
| 78   | 343.3     | T & D Mains - DI 16 & Greater (STL) |                              | 0             | P-67      | 0                                | 0                                 |
| 79   | 343.3     | T & D Mains - LJ 20 (STL)           |                              | 0             | P-68      | 0                                | 0                                 |
| 80   | 343.3     | T & D Mains - PL 12 (STL)           |                              | 0             | P-69      | 0                                | 0                                 |
| 81   | 344       | Fire Mains                          | 90,562                       | 0             | P-70      | 0                                | 90,562                            |
| 82   | 345       | Services                            | 1,693,278                    | 0             | P-71      | 0                                | 1,693,278                         |
| 83   | 346.1     | Meters-Bronze Case                  | 410,519                      | 0             | P-72      | 0                                | 410,519                           |
| 84   | 346.2     | Meters-Plastic Case                 |                              | 0             | P-73      | 0                                | 0                                 |
| 85   | 346.3     | Meters-Other                        | 51,613                       | 0             | P-74      | 0                                | 51,613                            |
| 86   | 346.3     | Meters-Remote (ARB's)               |                              | 0             | P-75      | 0                                | 0                                 |
| 87   | 347.1     | Meter Install                       | 1,205,754                    | 0             | P-76      | 0                                | 1,205,754                         |
| 88   | 347.2     | Meter Install-Other                 |                              | 0             | P-77      | 0                                | 0                                 |
| 89   | 348       | Hydrants                            | 1,024,220                    | 0             | P-78      | 0                                | 1,024,220                         |
| 90   | 349       | Other T&D Plant                     | 19,645                       | 0             | P-79      | 0                                | 19,645                            |
| 91   |           | Total Transmission & Distribution   | \$ 17,552,200                | \$ 0          |           | \$ 0                             | \$ 17,552,200                     |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Plant In Service**

| Line | A/C<br>No | Plant Title                      | Balance<br>12/31/2006 | Parkville Water<br>Adjustments |       | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|------|-----------|----------------------------------|-----------------------|--------------------------------|-------|---------------------------|----------------------------|
|      |           |                                  |                       | Amount                         | No    |                           |                            |
| (A)  |           | (B)                              | (C)                   | (D)                            | (E)   | (F)                       | (G)                        |
| 92   |           | Sewer Plant                      |                       |                                |       |                           |                            |
| 93   | 351       | Structures & Improvements        | \$                    | \$                             | 0     | P-80                      | \$                         |
| 94   | 352.1     | Collection Sewers Forced         |                       |                                | 0     | P-81                      | 0                          |
| 95   | 352.2     | Collecting Mains                 |                       |                                | 0     | P-82                      | 0                          |
| 96   | 352.2     | Collecting Mains Other           |                       |                                | 0     | P-83                      | 0                          |
| 97   | 353       | Service to Customers             |                       |                                | 0     | P-84                      | 0                          |
| 98   | 363       | Electric Pumping Equipment       |                       |                                | 0     | P-85                      | 0                          |
| 99   | 370.1     | Land & Land Rights               |                       |                                | 0     | P-86                      | 0                          |
| 100  | 372       | T&D Equipment                    |                       |                                | 0     | P-87                      | 0                          |
| 101  | 372       | T&D Equipment Influent Lift      |                       |                                | 0     | P-88                      | 0                          |
| 102  | 374       | Outfall Sewer Lines              |                       |                                | 0     | P-89                      | 0                          |
| 103  |           | Total Sewer Plant                | \$ 0                  | \$ 0                           |       |                           | \$ 0                       |
| 104  |           | General Plant                    |                       |                                |       |                           |                            |
| 105  | 389       | Land & Land Rights               | \$ 142                | \$ 0                           | P-90  | \$ 0                      | \$ 142                     |
| 106  | 390       | S&I-Store, Shop & Garage         | 21,415                | 0                              | P-91  | 0                         | 21,415                     |
| 107  | 390.1     | S & I-Offices                    | 66,601                | 0                              | P-92  | 0                         | 66,601                     |
| 108  | 390.1     | S & I-Leasehold                  |                       | 0                              | P-93  | 0                         | 0                          |
| 109  | 390.1     | S & I-Leasehold - SCADA          |                       | 0                              | P-94  | 0                         | 0                          |
| 110  | 390.3     | S&I-Misc                         | 527,144               | 0                              | P-95  | 0                         | 527,144                    |
| 111  | 391       | Office Furniture and Equipment   | 59,131                | 0                              | P-96  | 8,606                     | 67,737                     |
| 112  | 391.2     | Computers & Peripheral Equipment | 7,514                 | 0                              | P-97  | 26,382                    | 33,896                     |
| 113  | 391.25    | Computer Software                | 32,299                | 0                              | P-98  | 69,399                    | 101,698                    |
| 114  | 391.26    | Computer Software Personal       |                       | 0                              | P-99  | 1,346                     | 1,346                      |
| 115  | 391.3     | Data Handling Equipment          | 217,059               | 0                              | P-100 | 0                         | 217,059                    |
| 116  | 391.3     | Other Office Equipment           | 25,812                | 0                              | P-101 | 162                       | 25,974                     |
| 117  | 392.11    | Trans Equipment-Lt Duty Trucks   | 38,718                | 0                              | P-102 | 463                       | 39,181                     |
| 118  | 392.12    | Trans Equipment-Hvy Duty Trucks  |                       | 0                              | P-103 | 0                         | 0                          |
| 119  | 392.2     | Trans Equipment-Autos            | 15,529                | 0                              | P-104 | 1,709                     | 17,238                     |
| 120  | 392.3     | Trans Equipment Other            |                       | 0                              | P-105 | 0                         | 0                          |
| 121  | 393       | Stores Equipment                 | 4,424                 | 0                              | P-106 | 0                         | 4,424                      |
| 122  | 394       | Tools, Shop & Garage Equipment   | 45,226                | 0                              | P-107 | 189                       | 45,415                     |
| 123  | 394       | Tools, Shop & Garage Equip Other |                       | 0                              | P-108 | 0                         | 0                          |
| 124  | 395       | Laboratory Equipment             | 84,812                | 0                              | P-109 | 0                         | 84,812                     |
| 125  | 395       | Laboratory Equipment Other       |                       | 0                              | P-110 | 0                         | 0                          |
| 126  | 396       | Power Operated Equipment         | 438                   | 0                              | P-111 | 0                         | 438                        |
| 127  | 397       | Comm Equipment-Non-Tele          | 47,136                | 0                              | P-112 | 26                        | 47,162                     |
| 128  | 397.2     | Comm Equipment-Tele              |                       | 0                              | P-113 | 400                       | 400                        |
| 129  | 398       | Miscellaneous                    | 321,754               | 0                              | P-114 | 124                       | 321,878                    |
| 130  | 399       | Other Tangible Property          |                       | 0                              | P-115 | 0                         | 0                          |
| 131  |           | Total General Plant              | \$ 1,515,154          | \$ 0                           |       | \$ 108,804                | \$ 1,623,958               |
| 132  |           | <b>Total Plant In Service</b>    | <b>\$ 23,350,591</b>  | <b>\$ 0</b>                    |       | <b>\$ 114,115</b>         | <b>\$ 23,464,706</b>       |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Plant In Service**

Parkville Water

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Reserve

| Line | A/C No | Plant Title                      | Balance<br>12/31/2006<br>(C) | Parkville Water<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|--------|----------------------------------|------------------------------|--------------------------------|------------|----------------------------------|-----------------------------------|
|      |        |                                  |                              | Amount<br>(D)                  | No.<br>(E) |                                  |                                   |
| 1    |        | Intangible                       |                              |                                |            |                                  |                                   |
| 2    | 301    | Organization                     | \$                           | \$ 0                           | R-1        | \$ 0                             | \$ 0                              |
| 3    | 302    | Franchise & Consents             |                              | 0                              | R-2        | 0                                | 0                                 |
| 4    | 303    | Miscellaneous Intangible         |                              | 0                              | R-3        | 3,889                            | 3,889                             |
| 5    |        | Total Intangible                 | \$ 0                         | \$ 0                           |            | \$ 3,889                         | \$ 3,889                          |
| 6    |        | Source of Supply                 |                              |                                |            |                                  |                                   |
| 7    | 310    | Land & Land Rights               | \$                           | \$ 0                           | R-4        | \$ 0                             | \$ 0                              |
| 8    | 311    | Structures & Improvements        | 7,806                        | 0                              | R-5        | 0                                | 7,806                             |
| 9    | 312    | Collecting & Impounding Res      |                              | 0                              | R-6        | 0                                | 0                                 |
| 10   | 313    | Lake, River & Other Intakes      |                              | 0                              | R-7        | 0                                | 0                                 |
| 11   | 314    | Wells & Springs                  | 81,607                       | 0                              | R-8        | 0                                | 81,607                            |
| 12   | 315    | Infiltration Galleries & Tunnels |                              | 0                              | R-9        | 0                                | 0                                 |
| 13   | 316    | Supply Mains                     | 42,268                       | 0                              | R-9        | 0                                | 42,268                            |
| 14   | 316    | Supply Mains-North Plant         |                              | 0                              | R-10       | 0                                | 0                                 |
| 15   | 316    | Supply Mains-Central Plant       |                              | 0                              | R-11       | 0                                | 0                                 |
| 16   | 316    | Supply Mains-South Plant         |                              | 0                              | R-12       | 0                                | 0                                 |
| 17   | 316    | Supply Mains-Meramec Plant       |                              | 0                              | R-13       | 0                                | 0                                 |
| 18   | 317    | Other Source of Supply Plant     |                              | 0                              | R-14       | 0                                | 0                                 |
| 19   |        | Total Source of Supply           | \$ 131,681                   | \$ 0                           |            | \$ 0                             | \$ 131,681                        |
| 20   |        | Pumping                          |                              |                                |            |                                  |                                   |
| 21   | 320    | Land & Land Rights               | \$                           | \$ 0                           | R-15       | \$ 0                             | \$ 0                              |
| 22   | 321    | S & I-Plant                      | 7,014                        | 0                              | R-16       | 0                                | 7,014                             |
| 23   | 321.1  | S & I-Pumps (STL)                |                              | 0                              | R-17       | 0                                | 0                                 |
| 24   | 321.2  | S & I-Boosters                   |                              | 0                              | R-18       | 0                                | 0                                 |
| 25   | 322    | Boiler Equipment                 |                              | 0                              | R-19       | 0                                | 0                                 |
| 26   | 323    | Other Power Prod. Equip.         |                              | 0                              | R-20       | 0                                | 0                                 |
| 27   | 324    | Steam Pumping Equipment          |                              | 0                              | R-21       | 0                                | 0                                 |
| 28   | 325.1  | Electric Pumping Equipment       | 215,804                      | 0                              | R-22       | 0                                | 215,804                           |
| 29   | 325.2  | Pumping Equipment-Pre '46        |                              | 0                              | R-23       | 0                                | 0                                 |
| 30   | 325.3  | Pumping Equipment-Post '46       |                              | 0                              | R-24       | 0                                | 0                                 |
| 31   | 325    | Pumping Equipment-Booster        |                              | 0                              | R-25       | 0                                | 0                                 |
| 32   | 326    | Diesel Pumping Equipment         | 292                          | 0                              | R-26       | 0                                | 292                               |
| 33   | 326    | Dsl Pump Equip-Stratman          |                              | 0                              | R-27       | 0                                | 0                                 |
| 34   | 326    | Dsl Pump Equip-Central Plant     |                              | 0                              | R-28       | 0                                | 0                                 |
| 35   | 327    | Pump Equip Hydraulic             |                              | 0                              | R-29       | 0                                | 0                                 |
| 36   | 328    | Other Pumping Equipment          | 538                          | 0                              | R-30       | 0                                | 538                               |
| 37   |        | Total Pumping                    | \$ 223,648                   | \$ 0                           |            | \$ 0                             | \$ 223,648                        |
| 38   |        | Water Treatment Plant            |                              |                                |            |                                  |                                   |
| 39   | 330    | Land & Land Rights               | \$                           | \$ 0                           | R-31       | \$ 0                             | \$ 0                              |
| 40   | 331    | Structures & Improvements        | 145,341                      | 0                              | R-32       | 0                                | 145,341                           |
| 41   | 331    | S & I - North Plant              |                              | 0                              | R-33       | 0                                | 0                                 |
| 42   | 331    | S & I-Central 1 & 2              |                              | 0                              | R-34       | 0                                | 0                                 |
| 43   | 331    | S & I-Central 3                  |                              | 0                              | R-35       | 0                                | 0                                 |
| 44   | 331    | S & I-South Plant                |                              | 0                              | R-36       | 0                                | 0                                 |
| 45   | 331    | S & I-Meramec                    |                              | 0                              | R-37       | 0                                | 0                                 |
| 46   | 332    | WT Equip Non-Media               | 572,443                      | 0                              | R-38       | 0                                | 572,443                           |
| 47   | 332    | WT Equip-North Plant             |                              | 0                              | R-39       | 0                                | 0                                 |

Missouri-American Water Company  
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Depreciation Reserve

Parkville Water

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                  | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-------------------|-------------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                     |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 48   | 332               | WT Equip-Central 1 & 2              |                              | 0             | R-40       | 0                                | 0                                 |
| 49   | 332               | WT Equip-Central 3                  |                              | 0             | R-41       | 0                                | 0                                 |
| 50   | 332               | WT Equip-South Plant                |                              | 0             | R-42       | 0                                | 0                                 |
| 51   | 332               | WT Equip-Meramac                    |                              | 0             | R-43       | 0                                | 0                                 |
| 52   | 332               | Other P/E Hand Equipment            |                              | 0             | R-44       | 0                                | 0                                 |
| 53   | 332.4             | Equipment Filter Media              |                              | 0             | R-45       | 0                                | 0                                 |
| 54   |                   | Total Water Treatment Plant         | \$ 717,784                   | \$ 0          |            | \$ 0                             | \$ 717,784                        |
| 55   |                   | Transmission & Distribution         |                              |               |            |                                  |                                   |
| 56   | 340               | Land & Land Rights                  | \$                           | \$ 0          | R-46       | \$ 0                             | \$ 0                              |
| 57   | 341               | Structures & Improvements           | 15,537                       | 0             | R-47       | 0                                | 15,537                            |
| 58   | 341.63            | S & I-Spec Cross                    |                              | 0             | R-48       | 0                                | 0                                 |
| 59   | 342               | Distr. Res. & Standpipes            | 128,848                      | 0             | R-49       | 0                                | 128,848                           |
| 60   | 342               | Rsvr & Standpipe-Elev               | 36,402                       | 0             | R-50       | 0                                | 36,402                            |
| 61   | 342               | Rsvr & Standpipe-Ground             | 1,859                        | 0             | R-51       | 0                                | 1,859                             |
| 62   | 343               | T & D Mains (Not Classified)        | 1,306,091                    | 0             | R-52       | 0                                | 1,306,091                         |
| 63   | 343.1             | T & D Mains - 4" & Less             | 13,498                       | 0             | R-53       | 0                                | 13,498                            |
| 64   | 343.1             | T & D Mains AC 4 (STL)              |                              | 0             | R-54       | 0                                | 0                                 |
| 65   | 343.1             | T & D Mains Galv 1 (STL)            |                              | 0             | R-55       | 0                                | 0                                 |
| 66   | 343.2             | T & D Mains - 6" to 8"              | 82,074                       | 0             | R-56       | 0                                | 82,074                            |
| 67   | 343.2             | CI-10" & Smaller-1900-1928          |                              | 0             | R-57       | 0                                | 0                                 |
| 68   | 343.2             | CI-10" & Smaller 1929-1956          |                              | 0             | R-58       | 0                                | 0                                 |
| 69   | 343.2             | CI-10" & Smaller-1957-1993          |                              | 0             | R-59       | 0                                | 0                                 |
| 70   | 343.2             | T & D Mains - DI 6-8 (STL)          |                              | 0             | R-60       | 0                                | 0                                 |
| 71   | 343.2             | T & D Mains - DI 6-10" (TN)         |                              | 0             | R-61       | 0                                | 0                                 |
| 72   | 343.2             | T & D Mains - PL 6-8" (STL)         |                              | 0             | R-62       | 0                                | 0                                 |
| 73   | 343.3             | T & D Mains - 10" to 16"            | 156,868                      | 0             | R-63       | 0                                | 156,868                           |
| 74   | 343.3             | T & D Mains - 18" & Greater         |                              | 0             | R-64       | 0                                | 0                                 |
| 75   | 343.3             | CI-12" (STL)                        |                              | 0             | R-65       | 0                                | 0                                 |
| 76   | 343.3             | CI-16" (STL)                        |                              | 0             | R-66       | 0                                | 0                                 |
| 77   | 343.3             | T & D Mains - DI 12 (STL)           |                              | 0             | R-66       | 0                                | 0                                 |
| 78   | 343.3             | T & D Mains - DI 16 & Greater (STL) |                              | 0             | R-67       | 0                                | 0                                 |
| 79   | 343.3             | T & D Mains - LJ 20 (STL)           |                              | 0             | R-68       | 0                                | 0                                 |
| 80   | 343.3             | T & D Mains - PL 12 (STL)           |                              | 0             | R-69       | 0                                | 0                                 |
| 81   | 344               | Fire Mains                          | 14,383                       | 0             | R-70       | 0                                | 14,383                            |
| 82   | 345               | Services                            | 440,740                      | 0             | R-71       | 0                                | 440,740                           |
| 83   | 346.1             | Meters-Bronze Case                  | 29,440                       | 0             | R-72       | 0                                | 29,440                            |
| 84   | 346.2             | Meters-Plastic Case                 |                              | 0             | R-73       | 0                                | 0                                 |
| 85   | 346.3             | Meters-Other                        | 53,474                       | 0             | R-74       | 0                                | 53,474                            |
| 86   | 346.3             | Meters-Remote (ARB's)               |                              | 0             | R-75       | 0                                | 0                                 |
| 87   | 347.1             | Meter Install                       | 143,001                      | 0             | R-76       | 0                                | 143,001                           |
| 88   | 347.2             | Meter Install-Other                 |                              | 0             | R-77       | 0                                | 0                                 |
| 89   | 348               | Hydrants                            | 287,053                      | 0             | R-78       | 0                                | 287,053                           |
| 90   | 349               | Other T&D Plant                     | 1,693                        | 0             | R-79       | 0                                | 1,693                             |
| 91   |                   | Total Transmission & Distribution   | \$ 2,710,961                 | \$ 0          |            | \$ 0                             | \$ 2,710,961                      |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Reserve

## Parkville Water

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                | Balance<br>12/31/2006<br>(C) | Adjustments   |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|-------------------|-----------------------------------|------------------------------|---------------|------------|----------------------------------|-----------------------------------|
|      |                   |                                   |                              | Amount<br>(D) | No.<br>(E) |                                  |                                   |
| 92   |                   | Sewer Plant                       |                              |               |            |                                  |                                   |
| 93   | 351.0             | Structures & Improvements         | \$                           | \$ 0          | R-80       | \$ 0                             | \$ 0                              |
| 94   | 352.1             | Collection Sewers Forced          |                              | 0             | R-81       | 0                                | 0                                 |
| 95   | 352.2             | Collecting Mains                  |                              | 0             | R-82       | 0                                | 0                                 |
| 96   | 352.2             | Collecting Mains Other            |                              | 0             | R-83       | 0                                | 0                                 |
| 97   | 353.0             | Service to Customers              |                              | 0             | R-84       | 0                                | 0                                 |
| 98   | 363.0             | Electric Pumping Equipment        |                              | 0             | R-85       | 0                                | 0                                 |
| 99   | 370.1             | Land & Land Rights                |                              | 0             | R-86       | 0                                | 0                                 |
| 100  | 372               | T&D Equipment                     |                              | 0             | R-87       | 0                                | 0                                 |
| 101  | 372.0             | T&D Equipment Influent Lift       |                              | 0             | R-88       | 0                                | 0                                 |
| 102  | 374               | Outfall Sewer Lines               |                              | 0             | R-89       | 0                                | 0                                 |
| 103  |                   | Total Sewer Plant                 | \$ 0                         | \$ 0          |            | \$ 0                             | \$ 0                              |
| 104  |                   | General Plant                     |                              |               |            |                                  |                                   |
| 105  | 389               | Land & Land Rights                | \$                           | \$ 0          | R-90       | \$ 0                             | \$ 0                              |
| 106  | 390               | S&I-Store, Shop & Garage          | 2,156                        | 0             | R-91       | 0                                | 2,156                             |
| 107  | 390.1             | S & I-Offices                     | 37,480                       | 0             | R-92       | (1,833)                          | 35,647                            |
| 108  | 390.1             | S & I-Leasehold                   |                              | 0             | R-93       | 0                                | 0                                 |
| 109  | 390.1             | S & I-Leasehold - SCADA           |                              | 0             | R-94       | 0                                | 0                                 |
| 110  | 390.3             | S&I-Misc                          | 7,403                        | 0             | R-95       | 0                                | 7,403                             |
| 111  | 391               | Office Furniture and Equipment    | 60,265                       | 0             | R-96       | (251)                            | 60,014                            |
| 112  | 391.2             | Computers & Peripheral Equipment  | (2,020)                      | 0             | R-97       | 1,368                            | (652)                             |
| 113  | 391.25            | Computer Software                 | 9,323                        | 0             | R-98       | 29,605                           | 38,928                            |
| 114  | 391.26            | Computer Software Personal        |                              | 0             | R-99       | 287                              | 287                               |
| 115  | 391.3             | Data Handling Equipment           | 37,877                       | 0             | R-100      | 0                                | 37,877                            |
| 116  | 391.3             | Other Office Equipment            | 1,320                        | 0             | R-101      | 102                              | 1,422                             |
| 117  | 392.11            | Trans Equipment-Lt Duty Trucks    | 10,053                       | 0             | R-102      | 709                              | 10,762                            |
| 118  | 392.12            | Trans Equipment-Hvy Duty Trucks   |                              | 0             | R-103      | 0                                | 0                                 |
| 119  | 392.2             | Trans Equipment-Autos             | 13,452                       | 0             | R-104      | 1,392                            | 14,844                            |
| 120  | 392.3             | Trans Equipment Other             | 17,258                       | 0             | R-105      | 0                                | 17,258                            |
| 121  | 393               | Stores Equipment                  | 2,813                        | 0             | R-106      | 0                                | 2,813                             |
| 122  | 394               | Tools, Shop & Garage Equipment    | 21,863                       | 0             | R-107      | 60                               | 21,923                            |
| 123  | 394               | Tools, Shop & Garage Equip Other  |                              | 0             | R-108      | 0                                | 0                                 |
| 124  | 395               | Laboratory Equipment              | 30,472                       | 0             | R-109      | 0                                | 30,472                            |
| 125  | 395               | Laboratory Equipment Other        |                              | 0             | R-110      | 0                                | 0                                 |
| 126  | 396               | Power Operated Equipment          | 544                          | 0             | R-111      | 0                                | 544                               |
| 127  | 397               | Comm Equipment-Non-Tele           | 36,351                       | 0             | R-112      | 130                              | 36,481                            |
| 128  | 397.2             | Comm Equipment-Tele               |                              | 0             | R-113      | 161                              | 161                               |
| 129  | 398               | Miscellaneous                     | 41,452                       | 0             | R-114      | 36                               | 41,488                            |
| 130  | 399               | Other Tangible Property           |                              | 0             | R-115      | 0                                | 0                                 |
| 131  |                   | Total General Plant               | \$ 328,062                   | \$ 0          |            | \$ 31,764                        | \$ 359,826                        |
| 132  |                   | Not Classified                    | 302                          | 0             | R-116      | 0                                | 302                               |
| 133  |                   | <b>Total Depreciation Reserve</b> | <b>\$ 4,112,438</b>          | <b>\$ 0</b>   |            | <b>\$ 35,653</b>                 | <b>\$ 4,148,091</b>               |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Reserve**

Parkville Water

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

Parkville Water

| Line | A/C No. | Plant Title                      | District Specific Plant (Average Sch 5) | Depreciation Rate | District Specific Depreciation | Corporate Depreciation Distribution | Total District Depreciation |
|------|---------|----------------------------------|---|-------------------|--------------------------------|-------------------------------------|-----------------------------|
|      | (A)     | (B)                              | (C)                                     | (D)               | (E)                            | (F)                                 | (G)                         |
| 1    |         | Intangible                       |   |                   |                                |                                     |                             |
| 2    | 301     | Organization                     | \$ 0                                    | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 3    | 302     | Franchise & Consents             | 13                                      | 0.00%             | 0                              | 0                                   | 0                           |
| 4    | 303     | Miscellaneous Intangible         | 0                                       | 0.00%             | 0                              | 0                                   | 0                           |
| 5    |         | Total Intangible                 | \$ 13                                   |                   | \$ 0                           | \$ 0                                | \$ 0                        |
| 6    |         | Source of Supply                 |   |                   |                                |                                     |                             |
| 7    | 310     | Land & Land Rights               | \$ 1,735                                | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 8    | 311     | Structures & Improvements        | 18,918                                  | 2.45%             | 463                            | 0                                   | 463                         |
| 9    | 312     | Collecting & Impounding Res      | 0                                       | 1.25%             | 0                              | 0                                   | 0                           |
| 10   | 313     | Lake, River & Other Intakes      | 0                                       | 1.77%             | 0                              | 0                                   | 0                           |
| 11   | 314     | Wells & Springs                  | 212,700                                 | 1.67%             | 3,552                          | 0                                   | 3,552                       |
| 12   | 315     | Infiltration Galleries & Tunnels | 0                                       | 1.67%             | 0                              | 0                                   | 0                           |
| 13   | 316     | Supply Mains                     | 166,827                                 | 1.60%             | 2,669                          | 0                                   | 2,669                       |
| 14   | 316     | Supply Mains-North Plant         | 0                                       | 1.60%             | 0                              | 0                                   | 0                           |
| 15   | 316     | Supply Mains-Central Plant       | 0                                       | 1.60%             | 0                              | 0                                   | 0                           |
| 16   | 316     | Supply Mains-South Plant         | 0                                       | 1.60%             | 0                              | 0                                   | 0                           |
| 17   | 316     | Supply Mains-Meramec Plant       | 0                                       | 1.60%             | 0                              | 0                                   | 0                           |
| 18   | 317     | Other Source of Supply Plant     | 0                                       | 4.00%             | 0                              | 0                                   | 0                           |
| 19   |         | Total Source of Supply           | \$ 400,180                              |                   | \$ 6,685                       | \$ 0                                | \$ 6,685                    |
| 20   |         | Pumping                          |   |                   |                                |                                     |                             |
| 21   | 320     | Land & Land Rights               | \$ 0                                    | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 22   | 321     | S & I-Plant                      | 18,382                                  | 1.73%             | 318                            | 0                                   | 318                         |
| 23   | 321.1   | S & I-Pumps (STL)                | 0                                       | 1.73%             | 0                              | 0                                   | 0                           |
| 24   | 321.2   | S & I-Boosters                   | 0                                       | 1.73%             | 0                              | 0                                   | 0                           |
| 25   | 322     | Boiler Equipment                 | 0                                       | 2.00%             | 0                              | 0                                   | 0                           |
| 26   | 323     | Other Power Prod. Equip.         | 0                                       | 2.00%             | 0                              | 0                                   | 0                           |
| 27   | 324     | Steam Pumping Equipment          | 0                                       | 0.00%             | 0                              | 0                                   | 0                           |
| 28   | 325.1   | Electric Pumping Equipment       | 765,768                                 | 2.44%             | 18,685                         | 0                                   | 18,685                      |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 0                                       | 2.44%             | 0                              | 0                                   | 0                           |
| 30   | 325.3   | Pumping Equipment-Post '46       | 0                                       | 2.44%             | 0                              | 0                                   | 0                           |
| 31   | 325     | Pumping Equipment-Booster        | 0                                       | 2.44%             | 0                              | 0                                   | 0                           |
| 32   | 326     | Diesel Pumping Equipment         | 12,817                                  | 2.44%             | 313                            | 0                                   | 313                         |
| 33   | 326     | Dsl Pump Equip-Stratman          | 0                                       | 2.44%             | 0                              | 0                                   | 0                           |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 0                                       | 2.44%             | 0                              | 0                                   | 0                           |
| 35   | 327     | Pump Equip Hydraulic             | 81,548                                  | 2.44%             | 1,990                          | 0                                   | 1,990                       |
| 36   | 328     | Other Pumping Equipment          | 68,949                                  | 2.44%             | 1,682                          | 0                                   | 1,682                       |
| 37   |         | Total Pumping                    | \$ 947,464                              |                   | \$ 22,988                      | \$ 0                                | \$ 22,988                   |
| 38   |         | Water Treatment Plant            |   |                   |                                |                                     |                             |
| 39   | 330     | Land & Land Rights               | \$ 432                                  | 0.00%             | \$ 0                           | \$ 0                                | \$ 0                        |
| 40   | 331     | Structures & Improvements        | 476,166                                 | 1.63%             | 7,762                          | 0                                   | 7,762                       |
| 41   | 331     | S & I - North Plant              | 0                                       | 1.63%             | 0                              | 0                                   | 0                           |
| 42   | 331     | S & I-Central 1 & 2              | 0                                       | 1.63%             | 0                              | 0                                   | 0                           |
| 43   | 331     | S & I-Central 3                  | 0                                       | 1.63%             | 0                              | 0                                   | 0                           |
| 44   | 331     | S & I-South Plant                | 0                                       | 1.63%             | 0                              | 0                                   | 0                           |
| 45   | 331     | S & I-Meramec                    | 0                                       | 1.63%             | 0                              | 0                                   | 0                           |
| 46   | 332     | WT Equip Non-Media               | 2,389,403                               | 2.78%             | 66,425                         | 0                                   | 66,425                      |
| 47   | 332     | WT Equip-North Plant             | 0                                       | 2.78%             | 0                              | 0                                   | 0                           |
| 48   | 332     | WT Equip-Central 1 & 2           | 0                                       | 2.78%             | 0                              | 0                                   | 0                           |
| 49   | 332     | WT Equip-Central 3               | 0                                       | 2.78%             | 0                              | 0                                   | 0                           |
| 50   | 332     | WT Equip-South Plant             | 0                                       | 2.78%             | 0                              | 0                                   | 0                           |
| 51   | 332     | WT Equip-Meramec                 | 0                                       | 2.78%             | 0                              | 0                                   | 0                           |
| 52   | 332     | Other P/E Hand Equipment         | 0                                       | 3.33%             | 0                              | 0                                   | 0                           |
| 53   | 332.4   | Equipment Filter Media           | 69,579                                  | 2.78%             | 1,934                          | 0                                   | 1,934                       |
| 54   |         | Total Water Treatment Plant      | \$ 2,935,580                            |                   | \$ 76,121                      | \$ 0                                | \$ 76,121                   |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

Parkville Water

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | District Specific Plan<br>(Acctg Sch 3)<br>(C) | Depreciation Rate<br>(D) | District Specific Depreciation<br>(E) | Corporate Depreciation Distribution<br>(F) | Total District Depreciation<br>(G) |
|------|----------------|-------------------------------------|--|--------------------------|---------------------------------------|--|------------------------------------|
| 55   |                | Transmission & Distribution         |  |                          |                                       |  |                                    |
| 56   | 340            | Land & Land Rights                  | \$ 35,898                                      | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 57   | 341            | Structures & Improvements           | 147,896  | 2.67%                    | 3,949                                 | 0  | 3,949                              |
| 58   | 341.63         | S & I-Spec Cross                    | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 59   | 342            | Distr. Res. & Standpipes            | 1,050,805                                      | 2.25%                    | 23,643                                | 0  | 23,643                             |
| 60   | 342            | Rsvr & Standpipe-Elev               | 87,707   | 2.25%                    | 1,973                                 | 0  | 1,973                              |
| 61   | 342            | Rsvr & Standpipe-Ground             | 53,347   | 2.25%                    | 1,200                                 | 0  | 1,200                              |
| 62   | 343            | T & D Mains (Not Classified)        | 3,500,292                                      | 1.50%                    | 52,504                                | 0  | 52,504                             |
| 63   | 343.1          | T & D Mains - 4" & Less             | 287,636  | 1.50%                    | 4,315                                 | 0  | 4,315                              |
| 64   | 343.1          | T & D Mains AC 4 (STL)              | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 3,033,376                                      | 1.50%                    | 45,501                                | 0  | 45,501                             |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 4,859,652                                      | 1.50%                    | 72,895                                | 0  | 72,895                             |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 75   | 343.3          | CI-12" (STL)                        | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 76   | 343.3          | CI-16" (STL)                        | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 81   | 344            | Fire Mains                          | 90,562   | 1.50%                    | 1,358                                 | 0  | 1,358                              |
| 82   | 345            | Services                            | 1,693,278                                      | 3.08%                    | 52,153                                | 0  | 52,153                             |
| 83   | 346.1          | Meters-Bronze Case                  | 410,519  | 2.43%                    | 9,976                                 | 0  | 9,976                              |
| 84   | 346.2          | Meters-Plastic Case                 | 0  | 2.43%                    | 0                                     | 0  | 0                                  |
| 85   | 346.3          | Meters-Other                        | 51,613   | 2.43%                    | 1,254                                 | 0  | 1,254                              |
| 86   | 346.3          | Meters-Remote (ARB's)               | 0  | 2.43%                    | 0                                     | 0  | 0                                  |
| 87   | 347.1          | Meter Install                       | 1,205,754                                      | 2.43%                    | 29,300                                | 0  | 29,300                             |
| 88   | 347.2          | Meter Install-Other                 | 0  | 2.43%                    | 0                                     | 0  | 0                                  |
| 89   | 348            | Hydrants                            | 1,024,220                                      | 1.92%                    | 19,665                                | 0  | 19,665                             |
| 90   | 349            | Other T&D Plant                     | 19,645   | 2.00%                    | 393                                   | 0  | 393                                |
| 91   |                | Total Transmission & Distribution   | \$ 17,552,200                                  |                          | \$ 320,079                            | \$ 0                                       | \$ 320,079                         |
| 92   |                | Sewer Plant                         |  |                          |                                       |  |                                    |
| 93   | 351.0          | Structures & Improvements           | \$ 0   | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 94   | 352.1          | Collection Sewers Forced            | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 95   | 352.2          | Collecting Mains                    | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 96   | 352.2          | Collecting Mains Other              | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 97   | 353.0          | Service to Customers                | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 98   | 363.0          | Electric Pumping Equipment          | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 99   | 370.1          | Land & Land Rights                  | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 100  | 372            | T&D Equipment                       | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 101  | 372.0          | T&D Equipment Influent Lift         | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 102  | 374            | Outfall Sewer Lines                 | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 103  |                | Total Sewer Plant                   | \$ 0   |                          | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 104  |                | General Plant                       |  |                          |                                       |  |                                    |
| 105  | 389            | Land & Land Rights                  | \$ 142   | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 106  | 390            | S&I-Store, Shop & Garage            | 21,415   | 2.40%                    | 514                                   | 0  | 514                                |
| 107  | 390.1          | S & I-Offices                       | 66,601   | 2.40%                    | 1,598                                 | 0  | 1,598                              |
| 108  | 390.1          | S & I-Leasehold                     | 0  | 5.00%                    | 0                                     | 0  | 0                                  |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

Parkville Water

| Line | A/C<br>No.<br>(A) | Plant Title<br>(B)                | District<br>Specific Plant<br>(Acc'dg Sch 5)<br>(C) | Depreciation<br>Rate<br>(D) | District<br>Specific<br>Depreciation<br>(E) | Corporate<br>Depreciation<br>Distribution<br>(F) | Total District<br>Depreciation<br>(G) |
|------|-------------------|-----------------------------------|---|-----------------------------|---|--|---------------------------------------|
| 109  | 390.1             | S & I-Leasehold - SCADA           | 0   | 5.00%                       | 0   | 0  | 0                                     |
| 110  | 390.3             | S&I-Misc                          | 527,144   | 2.40%                       | 12,651                                      | 0  | 12,651                                |
| 111  | 391               | Office Furniture and Equipment    | 59,131  | 4.00%                       | 2,365                                       | 344  | 2,709                                 |
| 112  | 391.2             | Computers & Peripheral Equipment  | 7,514   | 14.29%                      | 1,074                                       | 3,770  | 4,844                                 |
| 113  | 391.25            | Computer Software                 | 32,299  | 14.29%                      | 4,616                                       | 9,917  | 14,533                                |
| 114  | 391.26            | Computer Software Personal        | 0   | 14.29%                      | 0   | 192  | 192                                   |
| 115  | 391.3             | Data Handling Equipment           | 217,059   | 6.67%                       | 14,478                                      | 0  | 14,478                                |
| 116  | 391.3             | Other Office Equipment            | 25,812  | 6.67%                       | 1,722                                       | 11   | 1,732                                 |
| 117  | 392.11            | Trans Equipment-Lt Duty Trucks    | 38,718  | 0.00%                       | 0   | 0  | 0                                     |
| 118  | 392.12            | Trans Equipment-Hvy Duty Trucks   | 0   | 8.33%                       | 0   | 0  | 0                                     |
| 119  | 392.2             | Trans Equipment-Autos             | 15,529  | 0.00%                       | 0   | 0  | 0                                     |
| 120  | 392.3             | Trans Equipment Other             | 0   | 0.00%                       | 0   | 0  | 0                                     |
| 121  | 393               | Stores Equipment                  | 4,424   | 2.86%                       | 127   | 0  | 127                                   |
| 122  | 394               | Tools, Shop & Garage Equipment    | 45,226  | 5.00%                       | 2,261                                       | 9  | 2,271                                 |
| 123  | 394               | Tools, Shop & Garage Equip Other  | 0   | 5.00%                       | 0   | 0  | 0                                     |
| 124  | 395               | Laboratory Equipment              | 84,812  | 4.00%                       | 3,392                                       | 0  | 3,392                                 |
| 125  | 395               | Laboratory Equipment Other        | 0   | 4.00%                       | 0   | 0  | 0                                     |
| 126  | 396               | Power Operated Equipment          | 438   | 6.82%                       | 30  | 0  | 30                                    |
| 127  | 397               | Comm Equipment-Non-Tele           | 47,136  | 5.00%                       | 2,357                                       | 1  | 2,358                                 |
| 128  | 397.2             | Comm Equipment-Tele               | 0   | 6.67%                       | 0   | 27   | 27                                    |
| 129  | 398               | Miscellaneous                     | 321,754   | 5.00%                       | 16,088                                      | 6  | 16,094                                |
| 130  | 399               | Other Tangible Property           | 0   | 5.00%                       | 0   | 0  | 0                                     |
| 131  |                   | Total General Plant               | \$ 1,515,154  |                             | \$ 63,273                                   | \$ 14,278  | \$ 77,551                             |
| 132  |                   | <b>Total Depreciation Expense</b> | <b>\$ 23,350,591</b>                                |                             | <b>\$ 489,145</b>                           | <b>\$ 14,278</b>                                 | <b>\$ 503,423</b>                     |



Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Cash Working Capital**

|      |  |                                       |                       |                       |                                    |                            | Parkville Water  |  |
|------|--|---------------------------------------|-----------------------|-----------------------|------------------------------------|----------------------------|--|--|
| Line | Description<br>(A)   | Adjusted Test<br>Year Expenses<br>(B) | Revenue<br>Lag<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(E)<br>[(C)-(D)] | Factor<br>(F)<br>[(E)/(B)] | Cash Working<br>Capital<br>Requirement<br>(G)<br>[(B)*(F)] |  |
|      |  |                                       |                       |                       |                                    |                            |  |  |
| 1    | Operation & Maintenance Expense  |                                       |                       |                       |                                    |                            |  |  |
| 2    | Base Payroll   | \$ 131,272                            | 39.87                 | 13.00                 | 26.87                              | 0.0736                     | \$ 9,662   |  |
| 3    | Payroll Withholdings:  |                                       |                       |                       |                                    |                            |  |  |
| 4    | FICA - Employee Portion  | 17,516                                | 39.87                 | 16.19                 | 23.68                              | 0.0649                     | 1,137  |  |
| 5    | Federal Income Taxes Withheld  | 43,051                                | 39.87                 | 16.19                 | 23.68                              | 0.0649                     | 2,794  |  |
| 6    | State Income Taxes Withheld  | 13,972                                | 39.87                 | 18.19                 | 21.68                              | 0.0594                     | 830  |  |
| 7    | 401(k)   | 25,026                                | 39.87                 | 38.82                 | 1.05                               | 0.0029                     | 73   |  |
| 8    | EIP  | 1,935                                 | 39.87                 | 38.82                 | 1.05                               | 0.0029                     | 6  |  |
| 9    | Fuel & Power   | 176,947                               | 39.87                 | 37.20                 | 2.67                               | 0.0073                     | 1,292  |  |
| 10   | Chemicals  | 95,716                                | 39.87                 | 39.87                 | 0.00                               | 0.0000                     | 0  |  |
| 11   | Materials and Supplies   | 59,166                                | 39.87                 | 39.87                 | 0.00                               | 0.0000                     | 0  |  |
| 12   | Purchased Water  | 58,223                                | 39.87                 | 42.45                 | (2.58)                             | (0.0071)                   | (413)  |  |
| 13   | Management Fees  | 295,552                               | 39.87                 | 21.41                 | 18.46                              | 0.0506                     | 14,955   |  |
| 14   | Group Insurance  | 50,670                                | 39.87                 | (7.50)                | 47.37                              | 0.1298                     | 6,577  |  |
| 15   | OPEB's   | 11,699                                | 39.87                 | 3.41                  | 36.46                              | 0.0999                     | 1,169  |  |
| 16   | Pensions   | 32,909                                | 39.87                 | 17.58                 | 22.29                              | 0.0611                     | 2,011  |  |
| 17   | EIP - Employer Match   | (441)                                 | 39.87                 | 38.82                 | 1.05                               | 0.0029                     | (1)  |  |
| 18   | 401(k) - Employer Match  | 2,142                                 | 39.87                 | 38.82                 | 1.05                               | 0.0029                     | 6  |  |
| 19   | Insurance Other Than Group   | 43,850                                | 39.87                 | 42.44                 | (2.57)                             | (0.0070)                   | (307)  |  |
| 20   | Uncollectible Accounts   | 19,395                                | 39.87                 | 39.87                 | 0.00                               | 0.0000                     | 0  |  |
| 21   | Rents  | 1,886                                 | 39.87                 | (9.96)                | 49.83                              | 0.1365                     | 257  |  |
| 22   | Cash Vouchers  | 152,095                               | 39.87                 | 21.41                 | 18.46                              | 0.0506                     | 7,696  |  |
| 23   | Total Operation & Maintenance Expense                                  | \$ 1,232,582                          |                       |                       |                                    |                            | \$ 47,744  |  |
| 24   | Taxes Other Than Income  |                                       |                       |                       |                                    |                            |  |  |
| 25   | FICA - Employer Portion  | 17,516                                | 39.87                 | 16.19                 | 23.68                              | 0.0649                     | 1,137  |  |
| 26   | Federal Unemployment   | 227                                   | 39.87                 | 76.38                 | (36.51)                            | (0.1000)                   | (23)   |  |
| 27   | State Unemployment   | 581                                   | 39.87                 | 76.38                 | (36.51)                            | (0.1000)                   | (58)   |  |
| 28   | Property Taxes   | 365,462                               | 39.87                 | 182.50                | (142.63)                           | (0.3908)                   | (142,822)  |  |
| 29   | Franchise Tax  | 5,891                                 | 39.87                 | (77.50)               | 117.37                             | 0.3216                     | 1,895  |  |
| 30   | PSC Assessment   | 21,190                                | 39.87                 | (31.63)               | 71.50                              | 0.1959                     | 4,151  |  |
| 31   | Total Taxes Other Than Income  | \$ 410,865                            |                       |                       |                                    |                            | \$ (135,720)   |  |
| 32   | Other Expenses   |                                       |                       |                       |                                    |                            |  |  |
| 33   | Gross Receipts Tax   | 85,106                                | 23.49                 | 47.37                 | (23.88)                            | (0.0654)                   | (5,566)  |  |
| 34   | Sales Tax  | 17,889                                | 0.00                  | 8.12                  | (8.12)                             | (0.0222)                   | (397)  |  |
| 35   | Missouri Primacy Fees  | 17,156                                | 23.49                 | 243.50                | (220.01)                           | (0.6028)                   | (10,342)   |  |
| 36   | Total Other Expenses   | \$ 120,151                            |                       |                       |                                    |                            | \$ (16,305)  |  |
| 37   | <b>Cash Working Capital Before Income<br/>Tax and Interest Offsets</b> |                                       |                       |                       |                                    |                            | \$ (104,281)   |  |
| 38   | Interest Expense   | \$ 329,979                            | 39.87                 | 108.85                | (68.98)                            | (0.1890)                   | \$ (62,366)  |  |
| 39   | Federal Income Tax   | \$ 207,933                            | 39.87                 | 37.00                 | 2.87                               | 0.0079                     | \$ 1,643   |  |
| 40   | State Income Tax   | \$ 32,675                             | 39.87                 | 58.95                 | (19.08)                            | (0.0523)                   | \$ (1,709)   |  |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Income Statement**

| Parkville Water |                                |  |                     |            |  |  |
|-----------------|--------------------------------|--|---------------------|------------|--|--|
| Line            | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | Adjustment          |            | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>[(B)+(C)+(E)]<br>(F) |
|                 |                                |  | Amount<br>(C)       | No.<br>(D) |  |  |
| 1               | Operating Revenues:            |  |                     |            |  |  |
| 2               | Residential Revenue            | \$ 2,120,774                           | \$ 150,171          | S-1        | \$ 0   | \$ 2,270,945                                     |
| 3               | Commercial Revenue             | 644,276                                | (65,811)            | S-2        | 0  | 578,465  |
| 4               | Industrial Revenue             | 29,926                                 | (8,555)             | S-3        | 0  | 21,371   |
| 5               | Private Fire                   | 84,624                                 | 0                   | S-4        | 0  | 84,624   |
| 6               | Public Fire                    | 25                                     | 0                   | S-5        | 0  | 25   |
| 7               | Public Authorities             | 44,458                                 | 2,719               | S-6        | 0  | 47,177   |
| 8               | Sales For Resale               | 158,042                                | 1,249               | S-7        | 0  | 159,291  |
| 9               | Other Revenue                  | 35,374                                 | 0                   | S-8        | 2,406  | 37,780   |
| 10              | Total Revenues                 | \$ 3,117,499                           | \$ 79,773           |            | \$ 2,406                                     | \$ 3,199,678                                     |
| 11              | Operating Expenses:            |  |                     |            |  |  |
| 12              | Operation & Maintenance:       |  |                     |            |  |  |
| 13              | Source of Supply               | 56,689                                 | 3,298               | S-9        | 7  | 59,995   |
| 14              | Pumping                        | 106,645                                | 18,723              | S-10       | (1,928)                                      | 123,440  |
| 15              | Water Treatment                | 192,103                                | (11,035)            | S-11       | 18   | 181,087  |
| 16              | Transmission & Distribution    | 149,512                                | 1,798               | S-12       | 0  | 151,310  |
| 17              | Customer Accounts              | 54,941                                 | (7,205)             | S-13       | 55,660                                       | 103,396  |
| 18              | Administrative & General       | 125,852                                | 65,398              | S-14       | 422,103                                      | 613,353  |
| 19              | Total O & M Expense            | \$ 685,742                             | \$ 70,978           |            | \$ 475,862                                   | \$ 1,232,582                                     |
| 20              | Other Operating Expenses:      |  |                     |            |  |  |
| 21              | Depreciation - Plant           | 329,600                                | 98,051              | S-15       | 14,278                                       | 441,929  |
| 22              | Amortization                   | 0                                      | 0                   | S-16       | 1,489  | 1,489  |
| 23              | Taxes Other Than Income        | 345,153                                | 37,778              | S-17       | 27,934                                       | 410,865  |
| 24              | Total Other Operating Expense  | \$ 674,753                             | \$ 135,829          |            | \$ 43,701                                    | \$ 854,283                                       |
| 25              | Total Operating Expenses       | 1,360,495                              | 206,807             |            | 519,562                                      | 2,086,865  |
| 26              | Net Income Before Income Taxes | \$ 1,757,004                           | \$ (127,034)        |            | \$ (517,156)                                 | \$ 1,112,814                                     |
| 27              | Income Taxes:                  |  |                     |            |  |  |
| 28              | Current Income Tax             | \$ 0                                   | \$ 168,957          | S-18       | \$ 102,741                                   | \$ 271,698                                       |
| 29              | Deferred Income Tax:           |  |                     |            |  |  |
| 30              | Deferred Income Tax Expense    | 0                                      | (69,408)            | S-19       | 98,386                                       | 28,978   |
| 31              | ITC Amortization               | 0                                      | 0                   | S-20       | 0  | 0  |
| 32              | Total Income Taxes             | \$ 0                                   | \$ 99,549           |            | \$ 201,127                                   | \$ 300,676                                       |
| 33              | <b>Net Operating Income</b>    | <b>\$ 1,757,004</b>                    | <b>\$ (226,583)</b> |            | <b>\$ (718,283)</b>                          | <b>\$ 812,138</b>                                |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Adjustments To Income Statement

Parkville Water

| Adjmt<br>No             | Description   | Adjustment<br>Amount | Total<br>Adjustment |
|-------------------------|---|----------------------|---------------------|
| Residential Revenue S-1 |   |                      | \$ 150,171          |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 135,712           |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 14,459               |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Commercial Revenue S-2  |   |                      | \$ (65,811)         |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ (54,962)          |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | (10,849)             |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Industrial Revenue S-3  |   |                      | \$ (8,555)          |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ (8,264)           |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | (291)                |                     |
| Private Fire S-4        |   |                      | \$ 0                |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | 0                    |                     |
| Public Fire S-5         |   | 0                    | \$ 0                |
| 1                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Public Authorities S-6  |   |                      | \$ 2,719            |
| 1                       | To Remove Unbilled Revenues (Grissum)                               | 2,719                |                     |
| 2                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Sales For Resale S-7    |   |                      | \$ 1,249            |
| 1                       | To Normalize and Annualize Revenues (Grissum)                       | \$ 0                 |                     |
| 2                       | To Remove Unbilled Revenues (Grissum)                               | 1,249                |                     |
| 3                       | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                    |                     |
| Other Revenue S-8       |   |                      | \$ 0                |
| 1                       | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                    |                     |
| Source of Supply S-9    |   |                      | \$ 3,298            |
| 1                       | To Annualize Payroll (Hanneken)                                     | \$ 11                |                     |
| 2                       | To Normalize Overtime Pay (Hanneken)                                | 4                    |                     |

Missouri-American Water Company  
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**Adjustments To Income Statement**

|   |   | Parkville Water      |                     |
|---|---|----------------------|---------------------|
| Adjmt<br>No.                                | Description   | Adjustment<br>Amount | Total<br>Adjustment |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (133)                |                     |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 3,416                |                     |
| <b>Pumping S-10</b>                         |   |                      | <b>\$ 18,723</b>    |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 150               |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 61                   |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | 18,512               |                     |
| <b>Water Treatment S-11</b>                 |   |                      | <b>\$ (11,035)</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 1,722             |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 699                  |                     |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                    |                     |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 0                    |                     |
| 6   | To Annualize Chemicals Expense (Grissum)                          | (13,456)             |                     |
| <b>Transmission &amp; Distribution S-12</b> |   |                      | <b>\$ 1,798</b>     |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 1,279             |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 519                  |                     |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                    |                     |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                    |                     |
| <b>Customer Accounts S-13</b>               |   |                      | <b>\$ (7,205)</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 1,561             |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 634                  |                     |
| 3   | To Annualize Postage Expense (Grissum)                            | 125                  |                     |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (9,525)              |                     |
| <b>Administrative &amp; General S-14</b>    |   |                      | <b>\$ 65,398</b>    |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 2,082             |                     |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 845                  |                     |

## Missouri-American Water Company

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**Adjustments To Income Statement**

| Adjmt<br>No.                | Description   | Parkville Water      |                     |
|-----------------------------|---|----------------------|---------------------|
|                             |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                           | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                           | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | (3,359)              |                     |
| 5                           | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                           | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                           | To Annualize Insurance Other Than Group (Hagemeyer)                 | 8,718                |                     |
| 8                           | To Annualize Other Post Employment Benefits (Hagemeyer)             | 8,647                |                     |
| 9                           | To Annualize Tank Painting Expense (Hagemeyer)                      | (26,927)             |                     |
| 10                          | To Annualize Pension Expense (Hagemeyer)                            | 17,285               |                     |
| 11                          | To Annualize Transportation Leases (Hagemeyer)                      | 1,846                |                     |
| 12                          | To Annualize Waste Disposal Expense (Hagemeyer)                     | 0                    |                     |
| 13                          | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                          | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                          | To Remove Meals, Awards, etc. (Began)                               | (4,348)              |                     |
| 16                          | To Remove Miscellaneous Expense (Began)                             | 0                    |                     |
| 17                          | To Remove Dues and Donations (Began)                                | (1,885)              |                     |
| 18                          | To Remove Disallowed Promotion Expense (Began)                      | 0                    |                     |
| 19                          | To Remove Disallowed Advertising Expense (Began)                    | 0                    |                     |
| 20                          | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                          | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                          | To Annualize Payroll Tax Expense (Hanneken)                         | 65,142               |                     |
| 23                          | To Annualize Incentive Compensation Expense (Hanneken)              | (2,648)              |                     |
| 24                          | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                          | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                          | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                          | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                          | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant</b> |   |                      |                     |
|                             | S-15  |                      | \$ 98,051           |
| 1                           | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 159,545           |                     |

## Missouri-American Water Company

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**Adjustments To Income Statement**

| Adjmt<br>No.                            | Description  | Parkville Water      |                     |
|---|--|----------------------|---------------------|
|   |  | Adjustment<br>Amount | Total<br>Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (61,483)             |                     |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (11)                 |                     |
| <b>Amortization S-16</b>                |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| <b>Taxes Other Than Income S-17</b>     |  |                      |                     |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 1,685             | \$ 37,778           |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (203)                |                     |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                    |                     |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                    |                     |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                    |                     |
| 6                                       | To Adjust Property Tax (Began)   | 36,296               |                     |
| <b>Current Income Tax S-18</b>          |  |                      |                     |
| 1                                       | To adjust current income tax expense. (Cassidy )                                       | \$ 168,957           | \$ 168,957          |
| <b>Deferred Income Tax Expense S-19</b> |  |                      |                     |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ (69,408)          | \$ (69,408)         |
| <b>ITC Amortization S-20</b>            |  |                      |                     |
| 1                                       |  | \$ 0                 | \$ 0                |
| 2                                       |  | 0                    |                     |

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Income Tax Calculation

| Line | Description<br>(A)                             | Parkville Water   |                        |                        |                        |
|------|--|-------------------|------------------------|------------------------|------------------------|
|      |  | Test Year<br>(B)  | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 812,138        | \$ 762,240             | \$ 779,287             | \$ 796,333             |
| 2    | Add:   |                   |                        |                        |                        |
| 3    | Current Income Tax                             | 271,698           | 240,608                | 251,229                | 261,851                |
| 4    | Deferred Income Taxes                          |                   |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | 28,978            | 28,978                 | 28,978                 | 28,978                 |
| 6    | ITC Amortization                               | 0                 | 0                      | 0                      | 0                      |
| 7    | Net Income Before Income Tax                   | \$ 1,112,814      | \$ 1,031,825           | \$ 1,059,494           | \$ 1,087,162           |
| 8    | Additions to Net Income Before Income Tax:     |                   |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 441,929        | \$ 441,929             | \$ 441,929             | \$ 441,929             |
| 10   | Contributions In Aid of Construction           | 0                 | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                 | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 408               | 408                    | 408                    | 408                    |
| 13   | Other (Describe)                               | 0                 | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                 | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 442,337        | \$ 442,337             | \$ 442,337             | \$ 442,337             |
| 16   | Subtractions to Net Income Before Income Tax:  |                   |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 329,979        | \$ 329,979             | \$ 329,979             | \$ 329,979             |
| 18   | Tax Straight Line Depreciation                 | 441,929           | 441,929                | 441,929                | 441,929                |
| 19   | Tax Depreciation in Excess of Straight Line    | 75,485            | 75,485                 | 75,485                 | 75,485                 |
| 20   | Cost of Removal                                | 0                 | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                 | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                 | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 847,393        | \$ 847,393             | \$ 847,393             | \$ 847,393             |
| 24   | Net Taxable Income                             | \$ 707,757        | \$ 626,769             | \$ 654,437             | \$ 682,106             |
| 25   | Provision for Federal Income Tax               |                   |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ 707,757        | \$ 626,769             | \$ 654,437             | \$ 682,106             |
| 27   | Deduct Missouri Income Tax @ 100.00%           | 36,897            | 32,675                 | 34,118                 | 35,560                 |
| 28   | Federal Taxable Income                         | \$ 670,860        | \$ 594,094             | \$ 620,319             | \$ 646,546             |
| 29   | Federal Income Tax @ 35.00%                    | \$ 234,801        | \$ 207,933             | \$ 217,112             | \$ 226,291             |
| 30   | Provision for Missouri Income Tax              |                   |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ 707,757        | \$ 626,769             | \$ 654,437             | \$ 682,106             |
| 32   | Deduct Federal Income Tax @ 50.00%             | 117,400           | 103,966                | 108,556                | 113,146                |
| 33   | Missouri Taxable Income                        | \$ 590,357        | \$ 522,803             | \$ 545,881             | \$ 568,960             |
| 34   | Missouri Income Tax @ 6.25%                    | \$ 36,897         | \$ 32,675              | \$ 34,118              | \$ 35,560              |
| 35   | Summary of Provision For Income Tax            |                   |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ 234,801        | \$ 207,933             | \$ 217,112             | \$ 226,291             |
| 37   | State Income Tax                               | 36,897            | 32,675                 | 34,118                 | 35,560                 |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ 271,698</b> | <b>\$ 240,608</b>      | <b>\$ 251,229</b>      | <b>\$ 261,851</b>      |

**ST. CHARLES**



Missouri-American Water Company  
Case No. WR-2007-0216  
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**Revenue Requirement**

| Line | (A)  | St. Charles                   |                               |                               |
|------|--|-------------------------------|-------------------------------|-------------------------------|
|      |  | 8.60%<br>Equity Return<br>(B) | 9.10%<br>Equity Return<br>(C) | 9.60%<br>Equity Return<br>(D) |
| 1    | Net Original Cost Rate Base (From Accounting Schedule 2)       | \$ 38,775,303                 | \$ 38,775,303                 | \$ 38,775,303                 |
| 2    | Rate of Return   | 6.26%                         | 6.40%                         | 6.54%                         |
| 3    | Net Operating Income Requirement                               | \$ 2,427,334                  | \$ 2,481,619                  | \$ 2,535,905                  |
| 4    | Net Operating Income Available (From Accounting Schedule 9)    | 2,732,647                     | 2,732,647                     | 2,732,647                     |
| 5    | Additional Net Operating Income Requirement                    | \$ (305,313)                  | \$ (251,027)                  | \$ (196,742)                  |
| 6    | Income Tax Requirement: (From Accounting Schedule 11)          |                               |                               |                               |
| 7    | Required Current Income Tax                                    | \$ 883,480                    | \$ 917,304                    | \$ 951,128                    |
| 8    | Test Year Current Income Tax                                   | 1,073,713                     | 1,073,713                     | 1,073,713                     |
| 9    | Additional Current Income Tax Requirement                      | \$ (190,233)                  | \$ (156,409)                  | \$ (122,585)                  |
| 10   | Additional Gross Revenue Requirement Before Allowances         | \$ (495,546)                  | \$ (407,437)                  | \$ (319,327)                  |
| 11   | Allowance for True-up  | \$ 230,673                    | \$ 230,673                    | \$ 230,673                    |
| 12   | <b>Additional Gross Revenue Requirement</b>                    | <b>\$ (264,873)</b>           | <b>\$ (176,764)</b>           | <b>\$ (88,654)</b>            |
| 13   | Adjusted Revenue at Current Rates (From Accounting Schedule 9) | \$ 9,440,463                  | \$ 9,440,463                  | \$ 9,440,463                  |
| 14   | Total Gross Revenue Requirement                                | \$ 9,175,590                  | \$ 9,263,699                  | \$ 9,351,809                  |

Missouri-American Water Company  
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Rate Base

| Line | Description<br>(A)  | St. Charles            |                                  |                      |
|------|---|------------------------|----------------------------------|----------------------|
|      |   | Direct Assigned<br>(B) | Corporate<br>Distribution<br>(C) | Total<br>(D)         |
| 1    | Plant in Service (From Accounting Schedule 3)                 | \$ 74,832,634          | \$ 405,637                       | \$ 75,238,271        |
| 2    | Less:   |                        |                                  | 0                    |
| 3    | Accumulated Depreciation Reserve (From Accounting Schedule 5) | 14,771,937             | 126,732                          | 14,898,669           |
| 4    | Accumulated Amortization Reserve                              |                        | 0                                | 0                    |
| 5    | Net Plant in Service  | \$ 60,060,697          | \$ 278,904                       | \$ 60,339,601        |
| 6    | Add:  |                        |                                  |                      |
| 7    | Cash Working Capital (From Accounting Schedule 8)             | \$ (140,100)           | \$                               | \$ (140,100)         |
| 8    | Materials and Supplies  | 128,860                | 0                                | 128,860              |
| 9    | Prepayments   |                        | 27,813                           | 27,813               |
| 10   | Deferred OPEB Asset   |                        | 168,982                          | 168,982              |
| 11   | Other   |                        | 0                                | 0                    |
| 12   | Other   |                        | 0                                | 0                    |
| 13   | Other   |                        | 0                                | 0                    |
| 14   | Total Additions to Net Plant in Service                       | \$ (11,240)            | \$ 196,795                       | \$ 185,555           |
| 15   | Deduct:   |                        |                                  |                      |
| 16   | Interest Offset (From Accounting Schedule 8)                  | \$ 198,393             | \$                               | \$ 198,393           |
| 17   | Federal Income Tax Offset (From Accounting Schedule 8)        | (6,108)                |                                  | (6,108)              |
| 18   | State Income Tax Offset (From Accounting Schedule 8)          | 6,251                  |                                  | 6,251                |
| 19   | Contributions In Aid of Construction:                         | 13,775,715             | 0                                | 13,775,715           |
| 20   | Customer Advances   | 2,510,715              | (137)                            | 2,510,578            |
| 21   | Customer Deposits   |                        | 0                                | 0                    |
| 22   | Pre-71 ITC  |                        | 0                                | 0                    |
| 23   | Deferred Income Taxes   |                        | 4,860,385                        | 4,860,385            |
| 24   | Accrued Pension Liability                                     |                        | 404,639                          | 404,639              |
| 25   | Other   |                        | 0                                | 0                    |
| 26   | Other   |                        | 0                                | 0                    |
| 27   | Other   |                        | 0                                | 0                    |
| 28   | Total Deductions to Net Plant in Service                      | \$ 16,484,966          | \$ 5,264,887                     | \$ 21,749,853        |
| 29   | <b>Total Rate Base</b>  | <b>\$ 43,564,491</b>   | <b>\$ (4,789,188)</b>            | <b>\$ 38,775,303</b> |

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Plant In Service

| Line | A/C No | Plant Title                      | Balance<br>12/31/2005<br>(C) | St. Charles<br>Adjustments |            | Corporate<br>Distribution<br>(F) | As Adjusted<br>(C)+(D)+(F)<br>(G) |
|------|--------|----------------------------------|------------------------------|----------------------------|------------|----------------------------------|-----------------------------------|
|      |        |                                  |                              | Amount<br>(D)              | No.<br>(E) |                                  |                                   |
| 1    |        | Intangible                       |                              |                            |            |                                  |                                   |
| 2    | 301    | Organization                     | \$                           | \$ 0                       | P-1        | \$ 7,358                         | \$ 7,358                          |
| 3    | 302    | Franchise & Consents             | 12,572                       | 0                          | P-2        | 0                                | 12,572                            |
| 4    | 303    | Miscellaneous Intangible         |                              | 0                          | P-3        | 11,520                           | 11,520                            |
| 5    |        | Total Intangible                 | \$ 12,572                    | \$ 0                       |            | \$ 18,879                        | \$ 31,451                         |
| 6    |        | Source of Supply                 |                              |                            |            |                                  |                                   |
| 7    | 310    | Land & Land Rights               | \$ 5,308                     | \$ 0                       | P-4        | \$ 0                             | \$ 5,308                          |
| 8    | 311    | Structures & Improvements        |                              | 0                          | P-5        | 0                                | 0                                 |
| 9    | 312    | Collecting & Impounding Res      |                              | 0                          | P-6        | 0                                | 0                                 |
| 10   | 313    | Lake, River & Other Intakes      |                              | 0                          | P-7        | 0                                | 0                                 |
| 11   | 314    | Wells & Springs                  |                              | 0                          | P-8        | 0                                | 0                                 |
| 12   | 315    | Infiltration Galleries & Tunnels |                              | 0                          | P-9        | 0                                | 0                                 |
| 13   | 316    | Supply Mains                     |                              | 0                          | P-9        | 0                                | 0                                 |
| 14   | 316    | Supply Mains-North Plant         |                              | 0                          | P-10       | 0                                | 0                                 |
| 15   | 316    | Supply Mains-Central Plant       |                              | 0                          | P-11       | 0                                | 0                                 |
| 16   | 316    | Supply Mains-South Plant         |                              | 0                          | P-12       | 0                                | 0                                 |
| 17   | 316    | Supply Mains-Meramec Plant       |                              | 0                          | P-13       | 0                                | 0                                 |
| 18   | 317    | Other Source of Supply Plant     |                              | 0                          | P-14       | 0                                | 0                                 |
| 19   |        | Total Source of Supply           | \$ 5,308                     | \$ 0                       |            | \$ 0                             | \$ 5,308                          |
| 20   |        | Pumping                          |                              |                            |            |                                  |                                   |
| 21   | 320    | Land & Land Rights               | \$ 1,193                     | \$ 0                       | P-15       | \$ 0                             | \$ 1,193                          |
| 22   | 321    | S & I-Plant                      | 1,492,156                    | 0                          | P-16       | 0                                | 1,492,156                         |
| 23   | 321.1  | S & I-Pumps (STL)                |                              | 0                          | P-17       | 0                                | 0                                 |
| 24   | 321.2  | S & I-Boosters                   |                              | 0                          | P-18       | 0                                | 0                                 |
| 25   | 322    | Boiler Equipment                 |                              | 0                          | P-19       | 0                                | 0                                 |
| 26   | 323    | Other Power Prod. Equip.         | 250,571                      | 0                          | P-20       | 0                                | 250,571                           |
| 27   | 324    | Steam Pumping Equipment          |                              | 0                          | P-21       | 0                                | 0                                 |
| 28   | 325.1  | Electric Pumping Equipment       | 2,245,914                    | 0                          | P-22       | 0                                | 2,245,914                         |
| 29   | 325.2  | Pumping Equipment-Pre '46        |                              | 0                          | P-23       | 0                                | 0                                 |
| 30   | 325.3  | Pumping Equipment-Post '46       |                              | 0                          | P-24       | 0                                | 0                                 |
| 31   | 325    | Pumping Equipment-Booster        |                              | 0                          | P-25       | 0                                | 0                                 |
| 32   | 326    | Diesel Pumping Equipment         |                              | 0                          | P-26       | 0                                | 0                                 |
| 33   | 326    | Dsl Pump Equip-Stratman          |                              | 0                          | P-27       | 0                                | 0                                 |
| 34   | 326    | Dsl Pump Equip-Central Plant     |                              | 0                          | P-28       | 0                                | 0                                 |
| 35   | 327    | Pump Equip Hydraulic             |                              | 0                          | P-29       | 0                                | 0                                 |
| 36   | 328    | Other Pumping Equipment          | 72,907                       | 0                          | P-30       | 0                                | 72,907                            |
| 37   |        | Total Pumping                    | \$ 4,062,741                 | \$ 0                       |            | \$ 0                             | \$ 4,062,741                      |
| 38   |        | Water Treatment Plant            |                              |                            |            |                                  |                                   |
| 39   | 330    | Land & Land Rights               | \$ 5,372                     | \$ 0                       | P-31       | \$ 0                             | \$ 5,372                          |
| 40   | 331    | Structures & Improvements        |                              | 0                          | P-32       | 0                                | 0                                 |
| 41   | 331    | S & I - North Plant              |                              | 0                          | P-33       | 0                                | 0                                 |
| 42   | 331    | S & I-Central 1 & 2              |                              | 0                          | P-34       | 0                                | 0                                 |
| 43   | 331    | S & I-Central 3                  |                              | 0                          | P-35       | 0                                | 0                                 |
| 44   | 331    | S & I-South Plant                |                              | 0                          | P-36       | 0                                | 0                                 |
| 45   | 331    | S & I-Meramac                    |                              | 0                          | P-37       | 0                                | 0                                 |
| 46   | 332    | WT Equip Non-Media               | 16,283                       | 0                          | P-38       | 0                                | 16,283                            |
| 47   | 332    | WT Equip-North Plant             |                              | 0                          | P-39       | 0                                | 0                                 |

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Plant In Service

| St. Charles |            |                                     |                       |             |      |                           |                            |
|-------------|------------|-------------------------------------|-----------------------|-------------|------|---------------------------|----------------------------|
| Line        | A/C<br>No. | Plant Title                         | Balance<br>12/31/2006 | Adjustments |      | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|             | (A)        |                                     |                       | (B)         | (C)  |                           |                            |
|             |            |                                     |                       | Amount      | No.  |                           |                            |
| 48          | 332        | WT Equip-Central 1 & 2              |                       | 0           | P-40 | 0                         | 0                          |
| 49          | 332        | WT Equip-Central 3                  |                       | 0           | P-41 | 0                         | 0                          |
| 50          | 332        | WT Equip-South Plant                |                       | 0           | P-42 | 0                         | 0                          |
| 51          | 332        | WT Equip-Meramac                    |                       | 0           | P-43 | 0                         | 0                          |
| 52          | 332        | Other P/E Hand Equipment            |                       | 0           | P-44 | 0                         | 0                          |
| 53          | 332.4      | Equipment Filter Media              |                       | 0           | P-45 | 0                         | 0                          |
| 54          |            | Total Water Treatment Plant         | \$ 21,655             | \$ 0        |      | \$ 0                      | \$ 21,655                  |
| 55          |            | Transmission & Distribution         |                       |             |      |                           |                            |
| 56          | 340        | Land & Land Rights                  | \$ 314,898            | \$ 0        | P-46 | \$ 0                      | \$ 314,898                 |
| 57          | 341        | Structures & Improvements           | 944,876               | 0           | P-47 | 0                         | 944,876                    |
| 58          | 341.63     | S & I-Spec Cross                    |                       | 0           | P-48 | 0                         | 0                          |
| 59          | 342        | Distr. Res. & Standpipes            | 1,621,258             | 0           | P-49 | 0                         | 1,621,258                  |
| 60          | 342        | Rsvr & Standpipe-Elev               | 132,216               | 0           | P-50 | 0                         | 132,216                    |
| 61          | 342        | Rsvr & Standpipe-Ground             |                       | 0           | P-51 | 0                         | 0                          |
| 62          | 343        | T & D Mains (Not Classified)        | 16,684,163            | 0           | P-52 | 0                         | 16,684,163                 |
| 63          | 343.1      | T & D Mains - 4" & Less             | 533,126               | 0           | P-53 | 0                         | 533,126                    |
| 64          | 343.1      | T & D Mains AC 4 (STL)              |                       | 0           | P-54 | 0                         | 0                          |
| 65          | 343.1      | T & D Mains Galv 1 (STL)            |                       | 0           | P-55 | 0                         | 0                          |
| 66          | 343.2      | T & D Mains - 6" to 8"              | 8,346,757             | 0           | P-56 | 0                         | 8,346,757                  |
| 67          | 343.2      | CI-10" & Smaller-1900-1928          |                       | 0           | P-57 | 0                         | 0                          |
| 68          | 343.2      | CI-10" & Smaller 1929-1956          |                       | 0           | P-58 | 0                         | 0                          |
| 69          | 343.2      | CI-10" & Smaller-1957-1993          |                       | 0           | P-59 | 0                         | 0                          |
| 70          | 343.2      | T & D Mains - DI 6-8 (STL)          |                       | 0           | P-60 | 0                         | 0                          |
| 71          | 343.2      | T & D Mains - DI 6-10" (TN)         |                       | 0           | P-61 | 0                         | 0                          |
| 72          | 343.2      | T & D Mains - PL 6-8" (STL)         |                       | 0           | P-62 | 0                         | 0                          |
| 73          | 343.3      | T & D Mains - 10" to 16"            | 16,003,031            | 0           | P-63 | 0                         | 16,003,031                 |
| 74          | 343.3      | T & D Mains - 18" & Greater         | 7,867,745             | 0           | P-64 | 0                         | 7,867,745                  |
| 75          | 343.3      | CI-12" (STL)                        |                       | 0           | P-65 | 0                         | 0                          |
| 76          | 343.3      | CI-16" (STL)                        |                       | 0           | P-66 | 0                         | 0                          |
| 77          | 343.3      | T & D Mains - DI 12 (STL)           |                       | 0           | P-66 | 0                         | 0                          |
| 78          | 343.3      | T & D Mains - DI 16 & Greater (STL) |                       | 0           | P-67 | 0                         | 0                          |
| 79          | 343.3      | T & D Mains - LJ 20 (STL)           |                       | 0           | P-68 | 0                         | 0                          |
| 80          | 343.3      | T & D Mains - PL 12 (STL)           |                       | 0           | P-69 | 0                         | 0                          |
| 81          | 344        | Fire Mains                          | 292,653               | 0           | P-70 | 0                         | 292,653                    |
| 82          | 345        | Services                            | 6,173,406             | 0           | P-71 | 0                         | 6,173,406                  |
| 83          | 346.1      | Meters-Bronze Case                  | 1,786,146             | 0           | P-72 | 0                         | 1,786,146                  |
| 84          | 346.2      | Meters-Plastic Case                 |                       | 0           | P-73 | 0                         | 0                          |
| 85          | 346.3      | Meters-Other                        | 191,226               | 0           | P-74 | 0                         | 191,226                    |
| 86          | 346.3      | Meters-Remote (ARB's)               |                       | 0           | P-75 | 0                         | 0                          |
| 87          | 347.1      | Meter Install                       | 3,581,236             | 0           | P-76 | 0                         | 3,581,236                  |
| 88          | 347.2      | Meter Install-Other                 |                       | 0           | P-77 | 0                         | 0                          |
| 89          | 348        | Hydrants                            | 4,135,109             | 0           | P-78 | 0                         | 4,135,109                  |
| 90          | 349        | Other T&D Plant                     | 3,964                 | 0           | P-79 | 0                         | 3,964                      |
| 91          |            | Total Transmission & Distribution   | \$ 68,611,810         | \$ 0        |      | \$ 0                      | \$ 68,611,810              |

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**Plant In Service**

| St. Charles |            |                                  |                       |             |     |                           |                            |
|-------------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|
| Line        | A/C<br>No. | Plant Title                      | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |
|             |            |                                  |                       | Amount      | No. |                           |                            |
|             | (A)        | (B)                              | (C)                   | (D)         | (E) | (F)                       | (G)                        |
| 92          |            | Sewer Plant                      |                       |             |     |                           |                            |
| 93          | 351        | Structures & Improvements        | \$                    | \$          | 0   | P-80                      | \$ 0                       |
| 94          | 352.1      | Collection Sewers Forced         |                       |             | 0   | P-81                      | 0                          |
| 95          | 352.2      | Collecting Mains                 |                       |             | 0   | P-82                      | 0                          |
| 96          | 352.2      | Collecting Mains Other           |                       |             | 0   | P-83                      | 0                          |
| 97          | 353        | Service to Customers             |                       |             | 0   | P-84                      | 0                          |
| 98          | 363        | Electric Pumping Equipment       |                       |             | 0   | P-85                      | 0                          |
| 99          | 370.1      | Land & Land Rights               |                       |             | 0   | P-86                      | 0                          |
| 100         | 372        | T&D Equipment                    |                       |             | 0   | P-87                      | 0                          |
| 101         | 372        | T&D Equipment Influent Lift      |                       |             | 0   | P-88                      | 0                          |
| 102         | 374        | Outfall Sewer Lines              |                       |             | 0   | P-89                      | 0                          |
| 103         |            | Total Sewer Plant                | \$ 0                  | \$ 0        |     | 0                         | 0                          |
| 104         |            | General Plant                    |                       |             |     |                           |                            |
| 105         | 389        | Land & Land Rights               | \$                    | \$          | 0   | P-90                      | \$ 0                       |
| 106         | 390        | S&I-Store, Shop & Garage         | 50,402                |             | 0   | P-91                      | 50,402                     |
| 107         | 390.1      | S & I-Offices                    | 346,653               |             | 0   | P-92                      | 346,653                    |
| 108         | 390.1      | S & I-Leasehold                  |                       |             | 0   | P-93                      | 0                          |
| 109         | 390.1      | S & I-Leasehold - SCADA          |                       |             | 0   | P-94                      | 0                          |
| 110         | 390.3      | S&I-Misc                         | 977                   |             | 0   | P-95                      | 977                        |
| 111         | 391        | Office Furniture and Equipment   | 82,918                |             | 0   | P-96                      | 30,591                     |
| 112         | 391.2      | Computers & Peripheral Equipment | 36,600                |             | 0   | P-97                      | 93,779                     |
| 113         | 391.25     | Computer Software                | 23,932                |             | 0   | P-98                      | 246,685                    |
| 114         | 391.26     | Computer Software Personal       | 108,590               |             | 0   | P-99                      | 4,784                      |
| 115         | 391.3      | Data Handling Equipment          |                       |             | 0   | P-100                     | 0                          |
| 116         | 391.3      | Other Office Equipment           |                       |             | 0   | P-101                     | 577                        |
| 117         | 392.11     | Trans Equipment-Lt Duty Trucks   | 146,675               |             | 0   | P-102                     | 1,645                      |
| 118         | 392.12     | Trans Equipment-Hvy Duty Trucks  |                       |             | 0   | P-103                     | 0                          |
| 119         | 392.2      | Trans Equipment-Autos            |                       |             | 0   | P-104                     | 6,076                      |
| 120         | 392.3      | Trans Equipment Other            | 860                   |             | 0   | P-105                     | 0                          |
| 121         | 393        | Stores Equipment                 | 907                   |             | 0   | P-106                     | 0                          |
| 122         | 394        | Tools, Shop & Garage Equipment   | 196,242               |             | 0   | P-107                     | 671                        |
| 123         | 394        | Tools, Shop & Garage Equip Other |                       |             | 0   | P-108                     | 0                          |
| 124         | 395        | Laboratory Equipment             | 5,427                 |             | 0   | P-109                     | 0                          |
| 125         | 395        | Laboratory Equipment Other       |                       |             | 0   | P-110                     | 0                          |
| 126         | 396        | Power Operated Equipment         | 83,202                |             | 0   | P-111                     | 0                          |
| 127         | 397        | Comm Equipment-Non-Tele          | 20,654                |             | 0   | P-112                     | 91                         |
| 128         | 397.2      | Comm Equipment-Tele              | 7,000                 |             | 0   | P-113                     | 1,420                      |
| 129         | 398        | Miscellaneous                    | 152,311               |             | 0   | P-114                     | 439                        |
| 130         | 399        | Other Tangible Property          | 855,198               |             | 0   | P-115                     | 0                          |
| 131         |            | Total General Plant              | \$ 2,118,548          | \$ 0        |     | 386,758                   | 2,505,306                  |
| 132         |            | Total Plant In Service           | \$ 74,832,634         | \$ 0        |     | 405,637                   | 75,238,271                 |

Missouri-American Water Company  
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**Adjustments To Plant In Service**

St. Charles

**NO ADJUSTMENTS**

## Missouri-American Water Company

Case No. WR-2007-0216

Test Year Ending June 30, 2006 Updated Through December 31, 2006

## Depreciation Reserve

| St. Charles |            |                                  |                       |             |     |                           |                            |               |
|-------------|------------|----------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|---------------|
| Line        | A/C<br>No. | Plant Title                      | Balance<br>12/31/2005 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |               |
|             | (A)        |                                  |                       | (B)         | (C) |                           |                            | Amount<br>(D) |
| 1           |            | Intangible                       |                       |             |     |                           |                            |               |
| 2           | 301        | Organization                     | \$                    | \$          | 0   | R-1                       | \$ 0                       | \$ 0          |
| 3           | 302        | Franchise & Consents             |                       |             | 0   | R-2                       | 0                          | 0             |
| 4           | 303        | Miscellaneous Intangible         |                       |             | 0   | R-3                       | 13,823                     | 320,409       |
| 5           |            | Total Intangible                 | \$ 306,586            | \$ 0        |     |                           | \$ 13,823                  | \$ 320,409    |
| 6           |            | Source of Supply                 |                       |             |     |                           |                            |               |
| 7           | 310        | Land & Land Rights               | \$                    | \$          | 0   | R-4                       | \$ 0                       | \$ 0          |
| 8           | 311        | Structures & Improvements        |                       |             | 0   | R-5                       | 0                          | 0             |
| 9           | 312        | Collecting & Impounding Res      |                       |             | 0   | R-6                       | 0                          | 0             |
| 10          | 313        | Lake, River & Other Intakes      |                       |             | 0   | R-7                       | 0                          | 0             |
| 11          | 314        | Wells & Springs                  |                       |             | 0   | R-8                       | 0                          | 0             |
| 12          | 315        | Infiltration Galleries & Tunnels |                       |             | 0   | R-9                       | 0                          | 0             |
| 13          | 316        | Supply Mains                     |                       |             | 0   | R-9                       | 0                          | 0             |
| 14          | 316        | Supply Mains-North Plant         |                       |             | 0   | R-10                      | 0                          | 0             |
| 15          | 316        | Supply Mains-Central Plant       |                       |             | 0   | R-11                      | 0                          | 0             |
| 16          | 316        | Supply Mains-South Plant         |                       |             | 0   | R-12                      | 0                          | 0             |
| 17          | 316        | Supply Mains-Meramec Plant       |                       |             | 0   | R-13                      | 0                          | 0             |
| 18          | 317        | Other Source of Supply Plant     |                       |             | 0   | R-14                      | 0                          | 0             |
| 19          |            | Total Source of Supply           | \$ 0                  | \$ 0        |     |                           | \$ 0                       | \$ 0          |
| 20          |            | Pumping                          |                       |             |     |                           |                            |               |
| 21          | 320        | Land & Land Rights               | \$                    | \$          | 0   | R-15                      | \$ 0                       | \$ 0          |
| 22          | 321        | S & I-Plant                      |                       |             | 0   | R-16                      | 0                          | 279,271       |
| 23          | 321.1      | S & I-Pumps (STL)                |                       |             | 0   | R-17                      | 0                          | 0             |
| 24          | 321.2      | S & I-Boosters                   |                       |             | 0   | R-18                      | 0                          | 0             |
| 25          | 322        | Boiler Equipment                 |                       |             | 0   | R-19                      | 0                          | 0             |
| 26          | 323        | Other Power Prod. Equip.         |                       |             | 0   | R-20                      | 0                          | 54,779        |
| 27          | 324        | Steam Pumping Equipment          |                       |             | 0   | R-21                      | 0                          | 0             |
| 28          | 325.1      | Electric Pumping Equipment       |                       |             | 0   | R-22                      | 0                          | 736,139       |
| 29          | 325.2      | Pumping Equipment-Pre '46        |                       |             | 0   | R-23                      | 0                          | 0             |
| 30          | 325.3      | Pumping Equipment-Post '46       |                       |             | 0   | R-24                      | 0                          | 0             |
| 31          | 325        | Pumping Equipment-Booster        |                       |             | 0   | R-25                      | 0                          | 0             |
| 32          | 326        | Diesel Pumping Equipment         |                       |             | 0   | R-26                      | 0                          | 0             |
| 33          | 326        | Dsl Pump Equip-Stratman          |                       |             | 0   | R-27                      | 0                          | 0             |
| 34          | 326        | Dsl Pump Equip-Central Plant     |                       |             | 0   | R-28                      | 0                          | 0             |
| 35          | 327        | Pump Equip Hydraulic             |                       |             | 0   | R-29                      | 0                          | 0             |
| 36          | 328        | Other Pumping Equipment          |                       |             | 0   | R-30                      | 0                          | 4,854         |
| 37          |            | Total Pumping                    | \$ 1,075,043          | \$ 0        |     |                           | \$ 0                       | \$ 1,075,043  |
| 38          |            | Water Treatment Plant            |                       |             |     |                           |                            |               |
| 39          | 330        | Land & Land Rights               | \$                    | \$          | 0   | R-31                      | \$ 0                       | \$ 0          |
| 40          | 331        | Structures & Improvements        |                       |             | 0   | R-32                      | 0                          | 0             |
| 41          | 331        | S & I - North Plant              |                       |             | 0   | R-33                      | 0                          | 0             |
| 42          | 331        | S & I-Central 1 & 2              |                       |             | 0   | R-34                      | 0                          | 0             |
| 43          | 331        | S & I-Central 3                  |                       |             | 0   | R-35                      | 0                          | 0             |
| 44          | 331        | S & I-South Plant                |                       |             | 0   | R-36                      | 0                          | 0             |
| 45          | 331        | S & I-Meramac                    |                       |             | 0   | R-37                      | 0                          | 0             |
| 46          | 332        | WT Equip Non-Media               |                       |             | 0   | R-38                      | 0                          | 4,025         |
| 47          | 332        | WT Equip-North Plant             |                       |             | 0   | R-39                      | 0                          | 0             |

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**Depreciation Reserve**

| St. Charles |           |                                     |                       |             |     |                           |                            |        |     |       |            |
|-------------|-----------|-------------------------------------|-----------------------|-------------|-----|---------------------------|----------------------------|--------|-----|-------|------------|
| Line        | A/C<br>No | Plant Title                         | Balance<br>12/31/2006 | Adjustments |     | Corporate<br>Distribution | As Adjusted<br>(C)+(D)+(F) |        |     |       |            |
|             | (A)       |                                     |                       | (B)         | (C) |                           |                            | Amount | No. | (D)   | (E)        |
| 48          | 332       | WT Equip-Central 1 & 2              |                       |             | 0   | R-40                      | 0                          | 0      |     |       |            |
| 49          | 332       | WT Equip-Central 3                  |                       |             | 0   | R-41                      | 0                          | 0      |     |       |            |
| 50          | 332       | WT Equip-South Plant                |                       |             | 0   | R-42                      | 0                          | 0      |     |       |            |
| 51          | 332       | WT Equip-Meramac                    |                       |             | 0   | R-43                      | 0                          | 0      |     |       |            |
| 52          | 332       | Other P/E Hand Equipment            |                       |             | 0   | R-44                      | 0                          | 0      |     |       |            |
| 53          | 332.4     | Equipment Filter Media              |                       |             | 0   | R-45                      | 0                          | 0      |     |       |            |
| 54          |           | Total Water Treatment Plant         | \$                    | 4,025       | \$  | 0                         | \$                         | 0      | \$  | 4,025 |            |
| 55          |           | Transmission & Distribution         |                       |             |     |                           |                            |        |     |       |            |
| 56          | 340       | Land & Land Rights                  | \$                    |             | \$  | 0                         | R-46                       | \$     | 0   | \$    | 0          |
| 57          |           | Structures & Improvements           |                       | 333,678     |     | 0                         | R-47                       |        | 0   |       | 333,678    |
| 58          | 341.63    | S & I-Spec Cross                    |                       |             |     | 0                         | R-48                       |        | 0   |       | 0          |
| 59          | 342       | Distr. Res. & Standpipes            |                       | 644,875     |     | 0                         | R-49                       |        | 0   |       | 644,875    |
| 60          | 342       | Rsvr & Standpipe-Elev               |                       | 11,466      |     | 0                         | R-50                       |        | 0   |       | 11,466     |
| 61          | 342       | Rsvr & Standpipe-Ground             |                       |             |     | 0                         | R-51                       |        | 0   |       | 0          |
| 62          | 343       | T & D Mains (Not Classified)        |                       | 6,124,446   |     | 0                         | R-52                       |        | 0   |       | 6,124,446  |
| 63          | 343.1     | T & D Mains - 4" & Less             |                       | 5,998       |     | 0                         | R-53                       |        | 0   |       | 5,998      |
| 64          | 343.1     | T & D Mains AC 4 (STL)              |                       |             |     | 0                         | R-54                       |        | 0   |       | 0          |
| 65          | 343.1     | T & D Mains Galv 1 (STL)            |                       |             |     | 0                         | R-55                       |        | 0   |       | 0          |
| 66          | 343.2     | T & D Mains - 6" to 8"              |                       | 316,547     |     | 0                         | R-56                       |        | 0   |       | 316,547    |
| 67          | 343.2     | CI-10" & Smaller-1900-1928          |                       |             |     | 0                         | R-57                       |        | 0   |       | 0          |
| 68          | 343.2     | CI-10" & Smaller 1929-1956          |                       |             |     | 0                         | R-58                       |        | 0   |       | 0          |
| 69          | 343.2     | CI-10" & Smaller-1957-1993          |                       |             |     | 0                         | R-59                       |        | 0   |       | 0          |
| 70          | 343.2     | T & D Mains - DI 6-8 (STL)          |                       |             |     | 0                         | R-60                       |        | 0   |       | 0          |
| 71          | 343.2     | T & D Mains - DI 6-10" (TN)         |                       |             |     | 0                         | R-61                       |        | 0   |       | 0          |
| 72          | 343.2     | T & D Mains - PL 6-8" (STL)         |                       |             |     | 0                         | R-62                       |        | 0   |       | 0          |
| 73          | 343.3     | T & D Mains - 10" to 16"            |                       | 662,757     |     | 0                         | R-63                       |        | 0   |       | 662,757    |
| 74          | 343.3     | T & D Mains - 18" & Greater         |                       | 388,598     |     | 0                         | R-64                       |        | 0   |       | 388,598    |
| 75          | 343.3     | CI-12" (STL)                        |                       |             |     | 0                         | R-65                       |        | 0   |       | 0          |
| 76          | 343.3     | CI-16" (STL)                        |                       |             |     | 0                         | R-66                       |        | 0   |       | 0          |
| 77          | 343.3     | T & D Mains - DI 12 (STL)           |                       |             |     | 0                         | R-66                       |        | 0   |       | 0          |
| 78          | 343.3     | T & D Mains - DI 16 & Greater (STL) |                       |             |     | 0                         | R-67                       |        | 0   |       | 0          |
| 79          | 343.3     | T & D Mains - LJ 20 (STL)           |                       |             |     | 0                         | R-68                       |        | 0   |       | 0          |
| 80          | 343.3     | T & D Mains - PL 12 (STL)           |                       |             |     | 0                         | R-69                       |        | 0   |       | 0          |
| 81          | 344       | Fire Mains                          |                       | 38,272      |     | 0                         | R-70                       |        | 0   |       | 38,272     |
| 82          | 345       | Services                            |                       | 2,054,821   |     | 0                         | R-71                       |        | 0   |       | 2,054,821  |
| 83          | 346.1     | Meters-Bronze Case                  |                       | 135,212     |     | 0                         | R-72                       |        | 0   |       | 135,212    |
| 84          | 346.2     | Meters-Plastic Case                 |                       |             |     | 0                         | R-73                       |        | 0   |       | 0          |
| 85          | 346.3     | Meters-Other                        |                       | 203,991     |     | 0                         | R-74                       |        | 0   |       | 203,991    |
| 86          | 346.3     | Meters-Remote (ARB's)               |                       |             |     | 0                         | R-75                       |        | 0   |       | 0          |
| 87          | 347.1     | Meter Install                       |                       | 270,927     |     | 0                         | R-76                       |        | 0   |       | 270,927    |
| 88          | 347.2     | Meter Install-Other                 |                       | 388,359     |     | 0                         | R-77                       |        | 0   |       | 388,359    |
| 89          | 348       | Hydrants                            |                       | 1,215,229   |     | 0                         | R-78                       |        | 0   |       | 1,215,229  |
| 90          | 349       | Other T&D Plant                     |                       | 1,240       |     | 0                         | R-79                       |        | 0   |       | 1,240      |
| 91          |           | Total Transmission & Distribution   | \$                    | 12,796,416  | \$  | 0                         |                            | \$     | 0   | \$    | 12,796,416 |



## St. Charles

Accounting Schedule 5 - 3

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

**Adjustments To Reserve**

St. Charles

**NO ADJUSTMENTS**

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

| Line | A/C No. | Plant Title                      | District Specific Plant (Accr. Sch 3)<br>(C) | Depreciation Rate<br>(D) | St. Charles                           |      | Corporate Depreciation Distribution<br>(F) | Total District Depreciation<br>(G) |
|------|---------|----------------------------------|--|--------------------------|---------------------------------------|------|--|------------------------------------|
|      |         |                                  |  |                          | District Specific Depreciation<br>(E) |      |  |                                    |
| 1    |         | Intangible                       |  |                          |                                       |      |  |                                    |
| 2    | 301     | Organization                     | \$ 0   | 0.00%                    | \$ 0                                  | \$ 0 | \$ 0                                       | \$ 0                               |
| 3    | 302     | Franchise & Consents             | 12,572                                       | 0.00%                    | 0                                     | 0    | 0  | 0                                  |
| 4    | 303     | Miscellaneous Intangible         | 0  | 0.00%                    | 0                                     | 0    | 0  | 0                                  |
| 5    |         | Total Intangible                 | \$ 12,572                                    |                          | \$ 0                                  | \$ 0 | \$ 0                                       | \$ 0                               |
| 6    |         | Source of Supply                 |  |                          |                                       |      |  |                                    |
| 7    | 310     | Land & Land Rights               | \$ 5,308                                     | 0.00%                    | \$ 0                                  | \$ 0 | \$ 0                                       | \$ 0                               |
| 8    | 311     | Structures & Improvements        | 0  | 2.45%                    | 0                                     | 0    | 0  | 0                                  |
| 9    | 312     | Collecting & Impounding Res      | 0  | 1.25%                    | 0                                     | 0    | 0  | 0                                  |
| 10   | 313     | Lake, River & Other Intakes      | 0  | 1.77%                    | 0                                     | 0    | 0  | 0                                  |
| 11   | 314     | Wells & Springs                  | 0  | 1.67%                    | 0                                     | 0    | 0  | 0                                  |
| 12   | 315     | Infiltration Galleries & Tunnels | 0  | 1.67%                    | 0                                     | 0    | 0  | 0                                  |
| 13   | 316     | Supply Mains                     | 0  | 1.60%                    | 0                                     | 0    | 0  | 0                                  |
| 14   | 316     | Supply Mains-North Plant         | 0  | 1.60%                    | 0                                     | 0    | 0  | 0                                  |
| 15   | 316     | Supply Mains-Central Plant       | 0  | 1.60%                    | 0                                     | 0    | 0  | 0                                  |
| 16   | 316     | Supply Mains-South Plant         | 0  | 1.60%                    | 0                                     | 0    | 0  | 0                                  |
| 17   | 316     | Supply Mains-Meramec Plant       | 0  | 1.60%                    | 0                                     | 0    | 0  | 0                                  |
| 18   | 317     | Other Source of Supply Plant     | 0  | 4.00%                    | 0                                     | 0    | 0  | 0                                  |
| 19   |         | Total Source of Supply           | \$ 5,308                                     |                          | \$ 0                                  | \$ 0 | \$ 0                                       | \$ 0                               |
| 20   |         | Pumping                          |  |                          |                                       |      |  |                                    |
| 21   | 320     | Land & Land Rights               | \$ 1,193                                     | 0.00%                    | \$ 0                                  | \$ 0 | \$ 0                                       | \$ 0                               |
| 22   | 321     | S & I-Plant                      | 1,492,156                                    | 1.73%                    | 25,814                                | 0    | 25,814                                     | 25,814                             |
| 23   | 321.1   | S & I-Pumps (STL)                | 0  | 1.73%                    | 0                                     | 0    | 0  | 0                                  |
| 24   | 321.2   | S & I-Boosters                   | 0  | 1.73%                    | 0                                     | 0    | 0  | 0                                  |
| 25   | 322     | Boiler Equipment                 | 0  | 2.00%                    | 0                                     | 0    | 0  | 0                                  |
| 26   | 323     | Other Power Prod. Equip.         | 250,571                                      | 2.00%                    | 5,011                                 | 0    | 5,011                                      | 5,011                              |
| 27   | 324     | Steam Pumping Equipment          | 0  | 0.00%                    | 0                                     | 0    | 0  | 0                                  |
| 28   | 325.1   | Electric Pumping Equipment       | 2,245,914                                    | 2.44%                    | 54,800                                | 0    | 54,800                                     | 54,800                             |
| 29   | 325.2   | Pumping Equipment-Pre '46        | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 30   | 325.3   | Pumping Equipment-Post '46       | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 31   | 325     | Pumping Equipment-Booster        | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 32   | 326     | Diesel Pumping Equipment         | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 33   | 326     | Dsl Pump Equip-Stratman          | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 34   | 326     | Dsl Pump Equip-Central Plant     | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 35   | 327     | Pump Equip Hydraulic             | 0  | 2.44%                    | 0                                     | 0    | 0  | 0                                  |
| 36   | 328     | Other Pumping Equipment          | 72,907                                       | 2.44%                    | 1,779                                 | 0    | 1,779                                      | 1,779                              |
| 37   |         | Total Pumping                    | \$ 4,062,741                                 |                          | \$ 87,405                             | \$ 0 | \$ 87,405                                  | \$ 87,405                          |
| 38   |         | Water Treatment Plant            |  |                          |                                       |      |  |                                    |
| 39   | 330     | Land & Land Rights               | \$ 5,372                                     | 0.00%                    | \$ 0                                  | \$ 0 | \$ 0                                       | \$ 0                               |
| 40   | 331     | Structures & Improvements        | 0  | 1.63%                    | 0                                     | 0    | 0  | 0                                  |
| 41   | 331     | S & I - North Plant              | 0  | 1.63%                    | 0                                     | 0    | 0  | 0                                  |
| 42   | 331     | S & I-Central 1 & 2              | 0  | 1.63%                    | 0                                     | 0    | 0  | 0                                  |
| 43   | 331     | S & I-Central 3                  | 0  | 1.63%                    | 0                                     | 0    | 0  | 0                                  |
| 44   | 331     | S & I-South Plant                | 0  | 1.63%                    | 0                                     | 0    | 0  | 0                                  |
| 45   | 331     | S & I-Meramac                    | 0  | 1.63%                    | 0                                     | 0    | 0  | 0                                  |
| 46   | 332     | WT Equip Non-Media               | 16,283                                       | 2.78%                    | 453                                   | 0    | 453  | 453                                |
| 47   | 332     | WT Equip-North Plant             | 0  | 2.78%                    | 0                                     | 0    | 0  | 0                                  |
| 48   | 332     | WT Equip-Central 1 & 2           | 0  | 2.78%                    | 0                                     | 0    | 0  | 0                                  |
| 49   | 332     | WT Equip-Central 3               | 0  | 2.78%                    | 0                                     | 0    | 0  | 0                                  |
| 50   | 332     | WT Equip-South Plant             | 0  | 2.78%                    | 0                                     | 0    | 0  | 0                                  |
| 51   | 332     | WT Equip-Meramac                 | 0  | 2.78%                    | 0                                     | 0    | 0  | 0                                  |
| 52   | 332     | Other P/E Hand Equipment         | 0  | 3.33%                    | 0                                     | 0    | 0  | 0                                  |
| 53   | 332.4   | Equipment Filter Media           | 0  | 2.78%                    | 0                                     | 0    | 0  | 0                                  |
| 54   |         | Total Water Treatment Plant      | \$ 21,655                                    |                          | \$ 453                                | \$ 0 | \$ 453                                     | \$ 453                             |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

St. Charles

| Line | A/C No.<br>(A) | Plant Title<br>(B)                  | District Specific Plant<br>(Acctg Sch. B)<br>(C) | Depreciation Rate<br>(D) | District Specific Depreciation<br>(E) | Corporate Depreciation Distribution<br>(F) | Total District Depreciation<br>(G) |
|------|----------------|-------------------------------------|--|--------------------------|---------------------------------------|--|------------------------------------|
| 55   |                | Transmission & Distribution         |  |                          |                                       |  |                                    |
| 56   | 340            | Land & Land Rights                  | \$ 314,898                                       | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 57   | 341            | Structures & Improvements           | 944,876  | 2.67%                    | 25,228                                | 0  | 25,228                             |
| 58   | 341.63         | S & I-Spec Cross                    | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 59   | 342            | Distr. Res. & Standpipes            | 1,621,258  | 2.25%                    | 36,478                                | 0  | 36,478                             |
| 60   | 342            | Rsvr & Standpipe-Elev               | 132,216  | 2.25%                    | 2,975                                 | 0  | 2,975                              |
| 61   | 342            | Rsvr & Standpipe-Ground             | 0  | 2.25%                    | 0                                     | 0  | 0                                  |
| 62   | 343            | T & D Mains (Not Classified)        | 16,684,163                                       | 1.50%                    | 250,262                               | 0  | 250,262                            |
| 63   | 343.1          | T & D Mains - 4" & Less             | 533,126  | 1.50%                    | 7,997                                 | 0  | 7,997                              |
| 64   | 343.1          | T & D Mains AC 4 (STL)              | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 65   | 343.1          | T & D Mains Galv 1 (STL)            | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 66   | 343.2          | T & D Mains - 6" to 8"              | 8,346,757  | 1.50%                    | 125,201                               | 0  | 125,201                            |
| 67   | 343.2          | CI-10" & Smaller-1900-1928          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 68   | 343.2          | CI-10" & Smaller 1929-1956          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 69   | 343.2          | CI-10" & Smaller-1957-1993          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 70   | 343.2          | T & D Mains - DI 6-8 (STL)          | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 71   | 343.2          | T & D Mains - DI 6-10" (TN)         | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 72   | 343.2          | T & D Mains - PL 6-8" (STL)         | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 73   | 343.3          | T & D Mains - 10" to 16"            | 16,003,031                                       | 1.50%                    | 240,045                               | 0  | 240,045                            |
| 74   | 343.3          | T & D Mains - 18" & Greater         | 7,867,745  | 1.50%                    | 118,016                               | 0  | 118,016                            |
| 75   | 343.3          | CI-12" (STL)                        | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 76   | 343.3          | CI-16" (STL)                        | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 77   | 343.3          | T & D Mains - DI 12 (STL)           | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 78   | 343.3          | T & D Mains - DI 16 & Greater (STL) | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 79   | 343.3          | T & D Mains - LJ 20 (STL)           | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 80   | 343.3          | T & D Mains - PL 12 (STL)           | 0  | 1.50%                    | 0                                     | 0  | 0                                  |
| 81   | 344            | Fire Mains                          | 292,653  | 1.50%                    | 4,390                                 | 0  | 4,390                              |
| 82   | 345            | Services                            | 6,173,406  | 3.08%                    | 190,141                               | 0  | 190,141                            |
| 83   | 346.1          | Meters-Bronze Case                  | 1,786,146  | 2.43%                    | 43,403                                | 0  | 43,403                             |
| 84   | 346.2          | Meters-Plastic Case                 | 0  | 2.43%                    | 0                                     | 0  | 0                                  |
| 85   | 346.3          | Meters-Other                        | 191,226  | 2.43%                    | 4,647                                 | 0  | 4,647                              |
| 86   | 346.3          | Meters-Remote (ARB's)               | 0  | 2.43%                    | 0                                     | 0  | 0                                  |
| 87   | 347.1          | Meter Install                       | 3,581,236  | 2.43%                    | 87,024                                | 0  | 87,024                             |
| 88   | 347.2          | Meter Install-Other                 | 0  | 2.43%                    | 0                                     | 0  | 0                                  |
| 89   | 348            | Hydrants                            | 4,135,109  | 1.92%                    | 79,394                                | 0  | 79,394                             |
| 90   | 349            | Other T&D Plant                     | 3,964  | 2.00%                    | 79                                    | 0  | 79                                 |
| 91   |                | Total Transmission & Distribution   | \$ 68,611,810                                    |                          | \$ 1,215,282                          | \$ 0                                       | \$ 1,215,282                       |
| 92   |                | Sewer Plant                         |  |                          |                                       |  |                                    |
| 93   | 351.0          | Structures & Improvements           | \$ 0   | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 94   | 352.1          | Collection Sewers Forced            | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 95   | 352.2          | Collecting Mains                    | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 96   | 352.2          | Collecting Mains Other              | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 97   | 353.0          | Service to Customers                | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 98   | 363.0          | Electric Pumping Equipment          | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 99   | 370.1          | Land & Land Rights                  | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 100  | 372            | T&D Equipment                       | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 101  | 372.0          | T&D Equipment Influent Lift         | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 102  | 374            | Outfall Sewer Lines                 | 0  | 0.00%                    | 0                                     | 0  | 0                                  |
| 103  |                | Total Sewer Plant                   | \$ 0   |                          | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 104  |                | General Plant                       |  |                          |                                       |  |                                    |
| 105  | 389            | Land & Land Rights                  | \$ 0   | 0.00%                    | \$ 0                                  | \$ 0                                       | \$ 0                               |
| 106  | 390            | S&I-Store, Shop & Garage            | 50,402   | 2.40%                    | 1,210                                 | 0  | 1,210                              |
| 107  | 390.1          | S & I-Offices                       | 346,653  | 2.40%                    | 8,320                                 | 0  | 8,320                              |
| 108  | 390.1          | S & I-Leasehold                     | 0  | 5.00%                    | 0                                     | 0  | 0                                  |

Missouri-American Water Company  
Case No. WR-2007-0216  
Test Year Ending June 30, 2006 Updated Through December 31, 2006

Depreciation Expense

| St. Charles |            |                                  |  |                      |                                      |   |                                |
|-------------|------------|----------------------------------|--|----------------------|--------------------------------------|---|--------------------------------|
|             | A/C<br>No. | Plant Title                      | District<br>Specific Plant<br>(Acqg Sch 3) | Depreciation<br>Rate | District<br>Specific<br>Depreciation | Corporate<br>Depreciation<br>Distribution | Total District<br>Depreciation |
| Line        | (A)        | (B)                              | (C)  | (D)                  | (E)                                  | (F)                                       | (G)                            |
| 109         | 390.1      | S & I-Leasehold - SCADA          | 0  | 5.00%                | 0                                    | 0   | 0                              |
| 110         | 390.3      | S&I-Misc                         | 977  | 2.40%                | 23                                   | 0   | 23                             |
| 111         | 391        | Office Furniture and Equipment   | 82,918                                     | 4.00%                | 3,317                                | 1,224                                     | 4,540                          |
| 112         | 391.2      | Computers & Peripheral Equipment | 36,600                                     | 14.29%               | 5,230                                | 13,401                                    | 18,631                         |
| 113         | 391.25     | Computer Software                | 23,932                                     | 14.29%               | 3,420                                | 35,251                                    | 38,671                         |
| 114         | 391.26     | Computer Software Personal       | 108,590                                    | 14.29%               | 15,518                               | 684                                       | 16,201                         |
| 115         | 391.3      | Data Handling Equipment          | 0  | 6.67%                | 0                                    | 0   | 0                              |
| 116         | 391.3      | Other Office Equipment           | 0  | 6.67%                | 0                                    | 38  | 38                             |
| 117         | 392.11     | Trans Equipment-Lt Duty Trucks   | 146,675                                    | 0.00%                | 0                                    | 0   | 0                              |
| 118         | 392.12     | Trans Equipment-Hvy Duty Trucks  | 0  | 8.33%                | 0                                    | 0   | 0                              |
| 119         | 392.2      | Trans Equipment-Autos            | 0  | 0.00%                | 0                                    | 0   | 0                              |
| 120         | 392.3      | Trans Equipment Other            | 860  | 0.00%                | 0                                    | 0   | 0                              |
| 121         | 393        | Stores Equipment                 | 907  | 2.86%                | 26                                   | 0   | 26                             |
| 122         | 394        | Tools, Shop & Garage Equipment   | 196,242                                    | 5.00%                | 9,812                                | 34  | 9,846                          |
| 123         | 394        | Tools, Shop & Garage Equip Other | 0  | 5.00%                | 0                                    | 0   | 0                              |
| 124         | 395        | Laboratory Equipment             | 5,427                                      | 4.00%                | 217                                  | 0   | 217                            |
| 125         | 395        | Laboratory Equipment Other       | 0  | 4.00%                | 0                                    | 0   | 0                              |
| 126         | 396        | Power Operated Equipment         | 83,202                                     | 6.82%                | 5,674                                | 0   | 5,674                          |
| 127         | 397        | Comm Equipment-Non-Tele          | 20,654                                     | 5.00%                | 1,033                                | 5   | 1,037                          |
| 128         | 397.2      | Comm Equipment-Tele              | 7,000                                      | 6.67%                | 467                                  | 95  | 562                            |
| 129         | 398        | Miscellaneous                    | 152,311                                    | 5.00%                | 7,616                                | 22  | 7,638                          |
| 130         | 399        | Other Tangible Property          | 855,198                                    | 5.00%                | 42,760                               | 0   | 42,760                         |
| 131         |            | Total General Plant              | \$ 2,118,548                               |                      | \$ 104,642                           | \$ 50,753                                 | \$ 155,394                     |
| 132         |            | Total Depreciation Expense       | \$ 74,832,634                              |                      | \$ 1,407,781                         | \$ 50,753                                 | \$ 1,458,534                   |

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**Cash Working Capital**

| St. Charles |  |                                       |                       |                       |                                    |                            |  |
|-------------|--|---------------------------------------|-----------------------|-----------------------|------------------------------------|----------------------------|--|
| Line        | Description<br>(A)   | Adjusted Test<br>Year Expenses<br>(B) | Revenue<br>Lag<br>(C) | Expense<br>Lag<br>(D) | Net CWC<br>Lag<br>(E)<br>[(C)-(D)] | Factor<br>(F)<br>[(E)/165] | Cash Working<br>Capital<br>Requirement<br>(G)<br>[(B)×(F)] |
| 1           | Operation & Maintenance Expense                                |                                       |                       |                       |                                    |                            |  |
| 2           | Base Payroll   | \$ 465,363                            | 39.92                 | 13.00                 | 26.92                              | 0.0738                     | \$ 34,344  |
| 3           | Payroll Withholdings:  |                                       |                       |                       |                                    |                            |  |
| 4           | FICA - Employee Portion  | 64,324                                | 39.92                 | 16.19                 | 23.73                              | 0.0650                     | 4,181  |
| 5           | Federal Income Taxes Withheld                                  | 152,618                               | 39.92                 | 16.19                 | 23.73                              | 0.0650                     | 9,920  |
| 6           | State Income Taxes Withheld                                    | 49,532                                | 39.92                 | 18.19                 | 21.73                              | 0.0595                     | 2,947  |
| 7           | 401(k)   | 88,717                                | 39.92                 | 38.82                 | 1.10                               | 0.0030                     | 266  |
| 8           | EIP  | 6,860                                 | 39.92                 | 38.82                 | 1.10                               | 0.0030                     | 21   |
| 9           | Fuel & Power   | 28,085                                | 39.92                 | 37.20                 | 2.72                               | 0.0075                     | 211  |
| 10          | Chemicals  | 0                                     | 39.92                 | 39.92                 | 0.00                               | 0.0000                     | 0  |
| 11          | Materials and Supplies   | 64,055                                | 39.92                 | 39.92                 | 0.00                               | 0.0000                     | 0  |
| 12          | Purchased Water  | 653,202                               | 39.92                 | 42.45                 | (2.53)                             | (0.0069)                   | (4,507)  |
| 13          | Management Fees  | 922,850                               | 39.92                 | 21.41                 | 18.51                              | 0.0507                     | 46,789   |
| 14          | Group Insurance  | 217,567                               | 39.92                 | (7.50)                | 47.42                              | 0.1299                     | 28,262   |
| 15          | OPEB's   | 41,575                                | 39.92                 | 3.41                  | 36.51                              | 0.1000                     | 4,157  |
| 16          | Pensions   | 116,986                               | 39.92                 | 17.58                 | 22.34                              | 0.0612                     | 7,160  |
| 17          | EIP - Employer Match   | (1,508)                               | 39.92                 | 38.82                 | 1.10                               | 0.0030                     | (5)  |
| 18          | 401(k) - Employer Match  | 13,945                                | 39.92                 | 38.82                 | 1.10                               | 0.0030                     | 42   |
| 19          | Insurance Other Than Group                                     | 159,963                               | 39.92                 | 42.44                 | (2.52)                             | (0.0069)                   | (1,104)  |
| 20          | Uncollectible Accounts   | 59,142                                | 39.92                 | 39.92                 | 0.00                               | 0.0000                     | 0  |
| 21          | Rents  | 8,176                                 | 39.92                 | (9.96)                | 49.88                              | 0.1367                     | 1,118  |
| 22          | Cash Vouchers  | 521,321                               | 39.92                 | 21.41                 | 18.51                              | 0.0507                     | 26,431   |
| 23          | Total Operation & Maintenance Expense                          | \$ 3,632,772                          |                       |                       |                                    |                            | \$ 160,233   |
| 24          | Taxes Other Than Income  |                                       |                       |                       |                                    |                            |  |
| 25          | FICA - Employer Portion  | 64,324                                | 39.92                 | 16.19                 | 23.73                              | 0.0650                     | \$ 4,181   |
| 26          | Federal Unemployment   | 1,045                                 | 39.92                 | 76.38                 | (36.46)                            | (0.0999)                   | (104)  |
| 27          | State Unemployment   | 2,714                                 | 39.92                 | 76.38                 | (36.46)                            | (0.0999)                   | (271)  |
| 28          | Property Taxes   | 716,722                               | 39.92                 | 182.50                | (142.58)                           | (0.3906)                   | (279,952)  |
| 29          | Franchise Tax  | 18,402                                | 39.92                 | (77.50)               | 117.42                             | 0.3217                     | 5,920  |
| 30          | PSC Assessment   | 62,519                                | 39.92                 | (31.63)               | 71.55                              | 0.1960                     | 12,254   |
| 31          | Total Taxes Other Than Income                                  | \$ 865,726                            |                       |                       |                                    |                            | \$ (257,972)   |
| 32          | Other Expenses   |                                       |                       |                       |                                    |                            |  |
| 33          | Gross Receipts Tax   | 47,570                                | 23.16                 | 47.37                 | (24.21)                            | (0.0663)                   | (3,154)  |
| 34          | Sales Tax  | 55,260                                | 0.00                  | 8.12                  | (8.12)                             | (0.0222)                   | (1,227)  |
| 35          | Missouri Primacy Fees  | 62,912                                | 23.16                 | 243.50                | (220.34)                           | (0.6037)                   | (37,980)   |
| 36          | Total Other Expenses   | \$ 165,742                            |                       |                       |                                    |                            | \$ (42,361)  |
| 37          | Cash Working Capital Before Income<br>Tax and Interest Offsets |                                       |                       |                       |                                    |                            | \$ (140,100)   |
| 38          | Interest Expense   | \$ 1,050,811                          | 39.92                 | 108.85                | (68.93)                            | (0.1888)                   | \$ (198,393)   |
| 39          | Federal Income Tax   | \$ 763,502                            | 39.92                 | 37.00                 | 2.92                               | 0.0080                     | \$ 6,108   |
| 40          | State Income Tax   | \$ 119,979                            | 39.92                 | 58.95                 | (19.03)                            | (0.0521)                   | \$ (6,251)   |

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**Income Statement**

| Line | Description<br>(A)             | Test Year End<br>Direct Charges<br>(B) | St. Charles<br>Adjustment |            | Adjusted<br>Corporate<br>Distribution<br>(E) | Test Year As<br>Adjusted<br>[(B)+(C)+(E)]<br>(F) |
|------|--------------------------------|--|---------------------------|------------|--|--|
|      |                                |  | Amount<br>(C)             | No.<br>(D) |  |  |
| 1    | Operating Revenues:            |  |                           |            |  |  |
| 2    | Residential Revenue            | \$ 7,732,500                           | \$ 162,945                | S-1        | \$ 0   | \$ 7,895,445                                     |
| 3    | Commercial Revenue             | 909,499                                | 41,529                    | S-2        | 2  | 951,030  |
| 4    | Industrial Revenue             | 2,577                                  | (150)                     | S-3        | 0  | 2,427  |
| 5    | Private Fire                   | 133,318                                | 0                         | S-4        | 0  | 133,318  |
| 6    | Public Fire                    | 0                                      | 0                         | S-5        | 0  | 0  |
| 7    | Public Authorities             | 165,921                                | 0                         | S-6        | 0  | 165,921  |
| 8    | Sales For Resale               | 20,977                                 | 0                         | S-7        | 0  | 20,977   |
| 9    | Other Revenue                  | 258,496                                | 0                         | S-8        | 12,848                                       | 271,344  |
| 10   | Total Revenues                 | \$ 9,223,288                           | \$ 204,324                |            | \$ 12,851                                    | \$ 9,440,463                                     |
| 11   | Operating Expenses:            |  |                           |            |  |  |
| 12   | Operation & Maintenance:       |  |                           |            |  |  |
| 13   | Source of Supply               | 3,157                                  | 653,228                   | S-9        | 39   | 656,425  |
| 14   | Pumping                        | 90,532                                 | 7,925                     | S-10       | (10,294)                                     | 88,163   |
| 15   | Water Treatment                | 191                                    | 0                         | S-11       | 0  | 191  |
| 16   | Transmission & Distribution    | 421,953                                | 44,716                    | S-12       | 1  | 466,670  |
| 17   | Customer Accounts              | 262,186                                | (59,567)                  | S-13       | 297,213                                      | 499,832  |
| 18   | Administrative & General       | 247,074                                | 301,726                   | S-14       | 1,372,692                                    | 1,921,491  |
| 19   | Total O & M Expense            | \$ 1,025,093                           | \$ 948,028                |            | \$ 1,659,651                                 | \$ 3,632,772                                     |
| 20   | Other Operating Expenses:      |  |                           |            |  |  |
| 21   | Depreciation - Plant           | 1,003,365                              | 101,093                   | S-15       | 50,753                                       | 1,155,211  |
| 22   | Amortization                   | 0                                      | 0                         | S-16       | 5,291  | 5,291  |
| 23   | Taxes Other Than Income        | 752,964                                | 28,807                    | S-17       | 83,955                                       | 865,726  |
| 24   | Total Other Operating Expense  | \$ 1,756,329                           | \$ 129,900                |            | \$ 139,999                                   | \$ 2,026,228                                     |
| 25   | Total Operating Expenses       | 2,781,422                              | 1,077,928                 |            | 1,799,650                                    | 5,659,000  |
| 26   | Net Income Before Income Taxes | \$ 6,441,866                           | \$ (873,604)              |            | \$ (1,786,800)                               | \$ 3,781,463                                     |
| 27   | Income Taxes:                  |  |                           |            |  |  |
| 28   | Current Income Tax             | \$ 0                                   | \$ 667,694                | S-18       | \$ 406,019                                   | \$ 1,073,713                                     |
| 29   | Deferred Income Tax:           |  |                           |            |  |  |
| 30   | Deferred Income Tax Expense    | 0                                      | 59,635                    | S-19       | (84,532)                                     | (24,897)   |
| 31   | ITC Amortization               | 0                                      | 0                         | S-20       | 0  | 0  |
| 32   | Total Income Taxes             | \$ 0                                   | \$ 727,329                |            | \$ 321,486                                   | \$ 1,048,816                                     |
| 33   | Net Operating Income           | \$ 6,441,866                           | \$ (1,600,933)            |            | \$ (2,108,286)                               | \$ 2,732,647                                     |

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**Adjustments To Income Statement**

|                                |   | St. Charles       |                  |
|--------------------------------|---|-------------------|------------------|
| Adjmt No.                      | Description   | Adjustment Amount | Total Adjustment |
| <b>Residential Revenue S-1</b> |   |                   | \$ 162,945       |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 12,363         |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 150,582           |                  |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Commercial Revenue S-2</b>  |   |                   | \$ 41,529        |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 34,611         |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 6,918             |                  |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Industrial Revenue S-3</b>  |   |                   | \$ (150)         |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0              |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | (150)             |                  |
| <b>Private Fire S-4</b>        |   |                   | \$ 0             |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | 0                 |                  |
| <b>Public Fire S-5</b>         |   | 0                 | \$ 0             |
| 1                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Public Authorities S-6</b>  |   |                   | \$ 0             |
| 1                              | To Remove Unbilled Revenues (Grissum)                               | 0                 |                  |
| 2                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Sales For Resale S-7</b>    |   |                   | \$ 0             |
| 1                              | To Normalize and Annualize Revenues (Grissum)                       | \$ 0              |                  |
| 2                              | To Remove Unbilled Revenues (Grissum)                               | 0                 |                  |
| 3                              | To Remove ISRS and Property Tax Surcharges (Grissum)                | 0                 |                  |
| <b>Other Revenue S-8</b>       |   |                   | \$ 0             |
| 1                              | To Include Compensation for MAWC Services Provided by AWR (Cassidy) | 0                 |                  |
| <b>Source of Supply S-9</b>    |   |                   | \$ 653,228       |
| 1                              | To Annualize Payroll (Hanneken)                                     | \$ 30             |                  |
| 2                              | To Normalize Overtime Pay (Hanneken)                                | (4)               |                  |



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## Adjustments To Income Statement

St. Charles

| Adjmt No.                                   | Description   | Adjustment Amount | Total Adjustment   |
|---|---|-------------------|--------------------|
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Purchased Water Expense (Grissum)                    | 653,202           |                    |
| <b>Pumping S-10</b>                         |   |                   | <b>\$ 7,925</b>    |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 7,968          |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (1,093)           |                    |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Fuel & Power Expense (Grissum)                       | 1,050             |                    |
| <b>Water Treatment S-11</b>                 |   |                   | <b>\$ 0</b>        |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 0              |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | 0                 |                    |
| 3   | To Remove Lobbyist Pay (Hanneken)                                 | 0                 |                    |
| 4   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | 0                 |                    |
| 5   | To Annualize Waste Disposal Expense (Hagemeyer)                   | 0                 |                    |
| 6   | To Annualize Chemicals Expense (Grissum)                          | 0                 |                    |
| <b>Transmission &amp; Distribution S-12</b> |   |                   | <b>\$ 44,716</b>   |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 53,579         |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (7,348)           |                    |
| 3   | To Annualize Lease Expense (excluding Transportation) (Hagemeyer) | (1,516)           |                    |
| 4   | To Annualize Main Breaks Expense (Hagemeyer)                      | 0                 |                    |
| <b>Customer Accounts S-13</b>               |   |                   | <b>\$ (59,567)</b> |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 37,853         |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (5,191)           |                    |
| 3   | To Annualize Postage Expense (Grissum)                            | 3,072             |                    |
| 4   | To Annualize Uncollectibles Expense (Grissum)                     | (95,301)          |                    |
| <b>Administrative &amp; General S-14</b>    |   |                   | <b>\$ 301,726</b>  |
| 1   | To Annualize Payroll (Hanneken)                                   | \$ 6,925          |                    |
| 2   | To Normalize Overtime Pay (Hanneken)                              | (950)             |                    |

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**Adjustments To Income Statement**

| Adjmt<br>No                 | Description   | St. Charles          |                     |
|-----------------------------|---|----------------------|---------------------|
|                             |   | Adjustment<br>Amount | Total<br>Adjustment |
| 3                           | To Remove Lobbyist Pay (Hanneken)                                   | 0                    |                     |
| 4                           | To Annualize Lease Expense (excluding Transportation) (Hagemeyer)   | 1,273                |                     |
| 5                           | To Remove STEP Costs (Hagemeyer)                                    | 0                    |                     |
| 6                           | To Adjust the Allocation of Belleville Labs (Cassidy)               | 0                    |                     |
| 7                           | To Annualize Insurance Other Than Group (Hagemeyer)                 | 22,141               |                     |
| 8                           | To Annualize Other Post Employment Benefits (Hagemeyer)             | 22,729               |                     |
| 9                           | To Annualize Tank Painting Expense (Hagemeyer)                      | (75,587)             |                     |
| 10                          | To Annualize Pension Expense (Hagemeyer)                            | 46,191               |                     |
| 11                          | To Annualize Transportation Leases (Hagemeyer)                      | 26,481               |                     |
| 12                          | To Annualize Waste Disposal Expense (Hagemeyer)                     | 0                    |                     |
| 13                          | To Annualize Main Breaks Expense (Hagemeyer)                        | 0                    |                     |
| 14                          | To Normalize Rate Case Expense (Hagemeyer)                          | 0                    |                     |
| 15                          | To Remove Meals, Awards, etc. (Began)                               | (1,398)              |                     |
| 16                          | To Remove Miscellaneous Expense (Began)                             | 0                    |                     |
| 17                          | To Remove Dues and Donations (Began)                                | (5,940)              |                     |
| 18                          | To Remove Disallowed Promotion Expense (Began)                      | 0                    |                     |
| 19                          | To Remove Disallowed Advertising Expense (Began)                    | 0                    |                     |
| 20                          | To Remove Disallowed Dues, Donations and Memberships (Began)        | 0                    |                     |
| 21                          | To Remove Disallowed Lobbying Expense (Began)                       | 0                    |                     |
| 22                          | To Annualize Payroll Tax Expense (Hanneken)                         | 262,590              |                     |
| 23                          | To Annualize Incentive Compensation Expense (Hanneken)              | (2,730)              |                     |
| 24                          | To Adjust Allocated External Affairs Expense (Hanneken)             | 0                    |                     |
| 25                          | To Adjust Allocated Management Fees Expense (Hanneken)              | 0                    |                     |
| 26                          | To Adjust Allocated Incentive Compensation Expense (Hanneken)       | 0                    |                     |
| 27                          | To Reduce Capitalized Cost (Hanneken)                               | 0                    |                     |
| 28                          | To Remove Expense Associated with Penalties (Hagemeyer)             | 0                    |                     |
| <b>Depreciation - Plant</b> |   |                      |                     |
|                             | S-15  |                      | \$ 101,093          |
| 1                           | To annualize depreciation expense at Staff's proposed rates (Began) | \$ 404,416           |                     |

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**Adjustments To Income Statement**

|   |  | St. Charles       |                  |
|---|--|-------------------|------------------|
| Adjmt No.                               | Description  | Adjustment Amount | Total Adjustment |
| 2                                       | To adjust depreciation expense related to contributions in aid of construction (Began) | (302,087)         |                  |
| 3                                       | To adjust depreciation related to transportation and power operated equipment (Began)  | (1,236)           |                  |
| <b>Amortization S-16</b>                |  | \$                | 0                |
| 1                                       |  | \$                | 0                |
| <b>Taxes Other Than Income S-17</b>     |  | \$                | 28,807           |
| 1                                       | To Annualize Payroll Taxes (Hanneken)  | \$ 9,877          |                  |
| 2                                       | To Adjust Payroll Tax Related to Incentive Compensation (Hanneken)                     | (209)             |                  |
| 3                                       | To Remove Payroll Tax Related to Lobbyist (Hanneken)                                   | 0                 |                  |
| 4                                       | To Adjust Franchise Tax (Began)  | 0                 |                  |
| 5                                       | To Adjust PSC Assessment (Began)   | 0                 |                  |
| 6                                       | To Adjust Property Tax (Began)   | 19,139            |                  |
| <b>Current Income Tax S-18</b>          |  | \$                | 667,695          |
| 1                                       | To adjust current income tax expense. (Cassidy)  | \$ 667,695        |                  |
| <b>Deferred Income Tax Expense S-19</b> |  | \$                | 59,635           |
| 1                                       | To adjust deferred income tax expense. (Cassidy)                                       | \$ 59,635         |                  |
| <b>ITC Amortization S-20</b>            |  | \$                | 0                |
| 1                                       |  | \$                | 0                |
| 2                                       |  | 0                 |                  |

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**Income Tax Calculation**

| Line | Description<br>(A)                             | St. Charles         |                        |                        |                        |
|------|--|---------------------|------------------------|------------------------|------------------------|
|      |  | Test Year<br>(B)    | 6.26%<br>Return<br>(C) | 6.40%<br>Return<br>(D) | 6.54%<br>Return<br>(E) |
| 1    | Net Operating Income (Acct. Sch. 1)            | \$ 2,732,646        | \$ 2,427,334           | \$ 2,481,619           | \$ 2,535,905           |
| 2    | Add:   |                     |                        |                        |                        |
| 3    | Current Income Tax                             | 1,073,713           | 883,480                | 917,304                | 951,128                |
| 4    | Deferred Income Taxes                          |                     |                        |                        |                        |
| 5    | Deferred Income Tax Expense                    | (24,897)            | (24,897)               | (24,897)               | (24,897)               |
| 6    | ITC Amortization                               | 0                   | 0                      | 0                      | 0                      |
| 7    | Net Income Before Income Tax                   | \$ 3,781,462        | \$ 3,285,917           | \$ 3,374,026           | \$ 3,462,136           |
| 8    | Additions to Net Income Before Income Tax:     |                     |                        |                        |                        |
| 9    | Book Depreciation                              | \$ 1,155,211        | \$ 1,155,211           | \$ 1,155,211           | \$ 1,155,211           |
| 10   | Contributions In Aid of Construction           | 0                   | 0                      | 0                      | 0                      |
| 11   | Non Deductible Reserve Deficiency Amortization | 0                   | 0                      | 0                      | 0                      |
| 12   | Miscellaneous Non-deductible Expenses          | 1,449               | 1,449                  | 1,449                  | 1,449                  |
| 13   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 14   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 15   | Total Additions                                | \$ 1,156,660        | \$ 1,156,660           | \$ 1,156,660           | \$ 1,156,660           |
| 16   | Subtractions to Net Income Before Income Tax:  |                     |                        |                        |                        |
| 17   | Interest Expense @ 2.71%                       | \$ 1,050,811        | \$ 1,050,811           | \$ 1,050,811           | \$ 1,050,811           |
| 18   | Tax Straight Line Depreciation                 | 1,155,211           | 1,155,211              | 1,155,211              | 1,155,211              |
| 19   | Tax Depreciation in Excess of Straight Line    | (64,856)            | (64,856)               | (64,856)               | (64,856)               |
| 20   | Cost of Removal                                | 0                   | 0                      | 0                      | 0                      |
| 21   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 22   | Other (Describe)                               | 0                   | 0                      | 0                      | 0                      |
| 23   | Total Subtractions                             | \$ 2,141,165        | \$ 2,141,165           | \$ 2,141,165           | \$ 2,141,165           |
| 24   | Net Taxable Income                             | \$ 2,796,957        | \$ 2,301,412           | \$ 2,389,521           | \$ 2,477,631           |
| 25   | Provision for Federal Income Tax               |                     |                        |                        |                        |
| 26   | Net Taxable Income                             | \$ 2,796,957        | \$ 2,301,412           | \$ 2,389,521           | \$ 2,477,631           |
| 27   | Deduct Missouri Income Tax @ 100.00%           | 145,813             | 119,979                | 124,572                | 129,166                |
| 28   | Federal Taxable Income                         | \$ 2,651,144        | \$ 2,181,433           | \$ 2,264,949           | \$ 2,348,465           |
| 29   | Federal Income Tax @ 35.00%                    | \$ 927,900          | \$ 763,502             | \$ 792,732             | \$ 821,963             |
| 30   | Provision for Missouri Income Tax              |                     |                        |                        |                        |
| 31   | Net Taxable Income                             | \$ 2,796,957        | \$ 2,301,412           | \$ 2,389,521           | \$ 2,477,631           |
| 32   | Deduct Federal Income Tax @ 50.00%             | 463,950             | 381,751                | 396,366                | 410,981                |
| 33   | Missouri Taxable Income                        | \$ 2,333,007        | \$ 1,919,661           | \$ 1,993,155           | \$ 2,066,650           |
| 34   | Missouri Income Tax @ 6.25%                    | \$ 145,813          | \$ 119,979             | \$ 124,572             | \$ 129,166             |
| 35   | Summary of Provision For Income Tax            |                     |                        |                        |                        |
| 36   | Federal Income Tax                             | \$ 927,900          | \$ 763,502             | \$ 792,732             | \$ 821,963             |
| 37   | State Income Tax                               | 145,813             | 119,979                | 124,572                | 129,166                |
| 38   | <b>Total Current Income Tax</b>                | <b>\$ 1,073,713</b> | <b>\$ 883,480</b>      | <b>\$ 917,304</b>      | <b>\$ 951,128</b>      |