

**Overall Revenue Requirement Summary
For the Test Year Ended June 30, 2006**

Missouri Public Service Commission Company: Missouri-American Water Company Total Company - Water and Sewer	Case No. WR-2007-XXXX and Case No. SR-2007-XXX Schedule CAS-1 Page 1 of 3
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Line No.	Description	Amount
1		
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5		
6	Rate Base	\$619,398,187
7		
8	Operating Income at Present Rates	\$27,506,357
9		
10	Earned Rate of return	4.44%
11		
12	Requested Rate of Return	8.52%
13		
14	Required Operating Income	52,772,726
15		
16	Operating Income Deficiency	25,266,369
17		
18	Gross Revenue Conversion Factor	1.64098
19		
20	Revenue Deficiency	\$41,461,619
21		
22	Adjusted Operating Revenues	\$166,845,818
23		
24	Total Revenue Requirement	\$208,307,437
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**Statement of Income Per Books and Pro Forma
For the Test Year Ended June 30, 2006**

Missouri Public Service Commission
Company: Missouri-American Water Company
Total Company - Water and Sewer

Case No. WR-2007-XXXX and Case No. SR-2007-XXX
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Line #	Schedule Reference	Test year Ended 6/30/06	Adjustments	Pro Forma Present Rates	Adjustments	Pro Forma Proposed Rates
6	Operating Revenues	\$163,664,161	\$3,181,657	\$166,845,818	\$41,461,619	\$208,307,437
8	Operating Expenses					
9	Operating and Maintenance	92,277,775	7,037,808	99,315,583	452,408	99,767,991
10	Depreciation Expense	15,413,083	5,715,972	21,129,055	0	21,129,055
11	Amortization Expense	190,477	0	190,477	0	190,477
13	Taxes other Than Income Taxes					
14	Property Taxes	9,174,262	1,120,332	10,294,594	0	10,294,594
15	Payroll Taxes	1,685,272	66,353	1,751,625	0	1,751,625
16	PSC Fees	908,285	0	908,285	0	908,285
17	Other	525,875	232,936	758,811	0	758,811
18						
19	Utility Operating Income Before Income Taxes	43,489,133	(10,991,744)	32,497,389	41,009,211	73,506,600
20						
21	Income Taxes					
22	Current Federal Income Tax	4,624,601	(1,995,159)	2,629,442	13,604,951	16,234,393
23	Current State Income Tax	(1,096,212)	1,509,411	413,199	2,137,919	2,551,118
24	Deferred Income Taxes	7,058,046	(4,978,915)	2,079,131	0	2,079,131
25	Amortization of Investment Tax Credit	(130,740)	0	(130,740)	0	(130,740)
26						
27	Utility Operating Income	\$33,033,438	(\$5,527,080)	\$27,506,357	\$25,266,341	\$52,772,698
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Rate Base Summary
Test Year Ended June 30, 2006

Missouri Public Service Commission
Company: Missouri-American Water Company
Total Company - Water and Sewer

Case No. WR-2007-XXXX and Case No. SR-2007-XXX
Schedule CAS-1
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Line #	Rate Base Component	Per Books 06/30/06	Adjustments	Pro Forma Rate Base
1				
2				
3				
4				
5	Utility Plant in Service	1,085,346,082	115,619,668	1,200,965,750
6				
7	Accumulated Provision for Depreciation	(289,116,983)	(15,799,247)	(304,916,230)
8				
9	Accumulated Amortization	(457,553)	0	(457,553)
10				
11	Utility Plant Acquisition Adjustments	0	0	0
12				
13	Net Utility Plant	<u>795,771,546</u>	<u>99,820,422</u>	<u>895,591,967</u>
14				
15				
16	Less:			
17	Customer Advances	62,885,746	13,833,967	76,719,714
18	Contributions in Aid of Construction	132,847,245	(2,830,617)	130,016,628
19	Accumulated Deferred ITC (3%)	35,204	(2,794)	32,410
20	Deferred Income Taxes	68,877,508	1,492,750	70,370,258
21	Pension Liability	13,290,270	(104,904)	13,185,366
22				
23				
24	Subtotal	<u>277,935,974</u>	<u>12,388,402</u>	<u>290,324,377</u>
25				
26				
27	Add:			
28	Cash Working Capital	6,129,000	0	6,129,000
29	Materials and Supplies	3,354,824	0	3,354,824
30	Prepayments	687,420	0	687,420
31	OPEB's Contributed to External Fund	965,589	(25,666)	939,923
32	Premature Retirement	0	0	0
33	Regulatory Deferrals	3,470,089	(450,660)	3,019,429
34				
35	Subtotal	<u>14,606,922</u>	<u>(476,326)</u>	<u>14,130,596</u>
36				
37	Total Original Cost Rate Base	<u>532,442,494</u>	<u>86,955,693</u>	<u>619,398,187</u>
38				
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