

Last Rate Case Requested Revenue Requirement
 Revenue \$ 18,604,260 per order

Rate Base \$ 35,651,607
 Main Office Rate Base \$ 534,224

Rate Base per order

Main Office Expense \$ 7,229,771

MWC Allocation 30.41% Factor

Estimated M/O Expenses remaining after City takeover

MWC Share \$ 2,198,573
 Difference \$ 1,607,184 (\$2,198,573 - \$591,389)

MWC Operating Expense \$ 10,508,924
 Depreciation \$ 2,398,763

Taxes other than income:
 FICA \$ 230,139
 FUTA \$ 2,661
 SUTA \$ 17,706
 DHES \$ 43,926
 PILTT \$ 1,043,480

Total Operating Expense before Interest \$ 14,836,988
 Debt Service \$ 5,543,800
 Debt Service \$ 6,653,200
 Total Revenue \$ 20,380,788
 \$ 21,490,188

MWC Customers 24,000
 Debt Service \$92MM 230.99
 Debt Service \$109MM 277.22
 \$ (6,631,513)

\$ 92,131,129 Per Barclay Letter
 \$ 109,952,414 Per Barclay Letter
 \$ (1,776,528) Based on 80,248,629.10 acquisition and capital improvements
 \$ (2,885,928) Based on 102,663,326.60 acquisition and capital improvements

Missoula, Montana

Line No.	Description	Per Books (Column 1)	Present Rates as Adjusted (Column 2)	Proposed Rates (Column 3)	Reference (Column 4)
1	OPERATING REVENUES	\$ 17,460,119	\$ 18,054,592	18,973,697	Sec. 38.5164
2	Debit Increase			\$ 919,105	
3	Percentage Increase			5.09%	
OPERATING EXPENSES:					
4	O & M Expenses	10,016,476	10,507,595	10,508,925 (a)	Sec. 38.5156
5	Depreciation & Amortization	2,376,707	2,398,763	2,398,763	Sec. 38.5165
6	Taxes Other Than Income	1,387,104	1,362,416	1,365,356 (b)	Sec. 38.5173
7	Income Taxes	1,604,879	973,836	1,315,636	Sec. 38.5169
8	Total Deductions	35,385,166	15,242,611	15,588,681	
9	Operating Income	\$ 2,104,953	\$ 2,811,981	\$ 3,375,016	
10	Rate Base	\$ 36,325,650	\$ 36,325,650	\$ 36,325,650	Exhibit 11 - 1
11	Return on Rate Base	5.79%	7.74%	9.29%	Sec. 38.5146

(a) Adjusted for increased bond debt expense. See 38.5.175.
 (b) Adjusted for increased PSC and MDC taxes. See 38.5.175.