

| | | | |
|---|--|--------------------------------|---------------------------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | This Report Is: (1) X An Original (2) A Resubmission | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 |
|---|--|--------------------------------|---------------------------------|

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. For Other (Specify), include deferrals relating to other income and deductions.

| Line No. | Account Subdivisions (a) | Balance at Beginning of Year (b) | CHANGES DURING YEAR | |
|----------|--|---|---|--|
| | | | Amounts Debited to Account 410.1 (c) | Amounts Credited to Account 411.1 (d) |
| 1 | Electric | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | Other | | | |
| 8 | TOTAL Electric <i>(Enter Total of lines 2 thru 7)</i> | | | |
| 9 | Gas | | | |
| 10 | Accumulated Deferred Income Taxes | 15,705,175 | 0 | 310,022 |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | Other | | | |
| 16 | TOTAL Gas <i>(Enter Total of lines 10 thru 15)</i> | 15,705,175 | 0 | 310,022 |
| 17 | Other (Specify) | | | |
| 18 | TOTAL(Account 190 <i>(Enter Total of lines 8, 16 & 17)</i>) | 15,705,175 | 0 | 310,022 |
| 19 | Classification of Total: | | | |
| 20 | Federal Income Tax | 15,705,175 | 0 | 310,022 |
| 21 | State Income Tax | 0 | 0 | 0 |
| 22 | Local Income Tax | | | |

NOTES

In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

| | | | | | | | |
|---|--|---|---------------|---|---------------|----------------------------------|-------------|
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| ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued) | | | | | | | |
| 3. If more space is needed, use separate pages as required. | | | | and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other. | | | |
| 4. In the space provided below, identify by amount | | | | | | | |
| CHANGES DURING YEAR | | ADJUSTMENTS | | | | Balance at End of Year (k) | Line No. |
| Amounts Debited to Account 410.2 (e) | Amounts Credited to Account 411.2 (f) | DEBITS | | CREDITS | | | |
| | | Acct. No. (g) | Amount (h) | Acct. No. (i) | Amount (j) | | |
| | | | | | | | 1 |
| | | | | | | | 2 |
| | | | | | | | 3 |
| | | | | | | | 4 |
| | | | | | | | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| | | | | | | | 9 |
| 0 | 0 | | 0 | 411/253/282 | 3,286,938 | 12,728,259 | 10 |
| | | | | | | | 11 |
| | | | | | | | 12 |
| | | | | | | | 13 |
| | | | | | | | 14 |
| | | | | | | | 15 |
| 0 | 0 | | 0 | 411/253/282 | 3,286,938 | 12,728,259 | 16 |
| | | | | | | | 17 |
| 0 | 0 | | 0 | 411/253/282 | 3,286,938 | 12,728,259 | 18 |
| | | | | | | | 19 |
| 0 | 0 | | 0 | 411/253/282 | 3,286,938 | 12,728,259 | 20 |
| 0 | 0 | | 0 | | 0 | 0 | 21 |
| | | | | | | | 22 |
| NOTES (Continued) | | | | | | | |

| | | | |
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OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) *Donations Received from Stockholders* (Account 208)--State amount and give brief explanation of the origin and purpose of each donation.

(b) *Reduction in Par or Stated Value of Capital Stock* (Account 209)--State amount and give brief explanation of the

capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210)--Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-In Capital (Account 211)--Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

| Line No. | Item (a) | Amount (b) |
|----------|--|---------------|
| 1 | | |
| 2 | <u>Account 211 - Division Equity</u> | |
| 3 | | |
| 4 | Balance Beginning of Year | \$ 85,260,049 |
| 5 | | |
| 6 | Net Income | 5,271,580 |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | Dividends Accrued: | |
| 12 | March 31, 2004 | 1,047,748 |
| 13 | June 30, 2004 | 1,047,748 |
| 14 | September 30, 2004 | 1,047,748 |
| 15 | December 31, 2004 | 1,047,748 |
| 16 | Total Dividends Accrued | 4,190,992 |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | Parent Company Infusion of Division Equity | 0 |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | | |
| 40 | TOTAL | \$ 86,340,637 |

| | | | |
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**SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR**

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate,

nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, give reference to the Commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

Securities Assumed During the Year

UtiliCorp Assumed Long Term Debt

11.875% Series Due 2012

\$ 31,037,039

-

-

-

Total Increase to Long Term Debt

\$ 31,037,039

Securities Retired During the Year

UtiliCorp Assigned Long Term Debt

6.875% Note Due 2004

\$ 11,473,039

7% Note Due 2004

19,564,000

Total Retirements on Assigned Long Term Debt

\$ 31,037,039

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|--|--|---|--|--|---------------------------------|
| LONG-TERM DEBT (Accounts 221, 222, 223, AND 224) | | | | | |
| <p>1. Report by balance sheet Account the particulars (details) concerning long-term debt included in Accounts 221, <i>Bonds</i>, 222, <i>Reacquired Bonds</i>, 223, <i>Advances from Associated Companies</i>, and 224, <i>Other Long-Term Debt</i>. If information to meet the stock exchange reporting requirement outlined in column (a) is available from SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> | | | <p>2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> | | |
| Line No. | Class and Series of Obligation and Name of Stock Exchange (a) | Nominal Date of Issue (b) | Date of Maturity (c) | Outstanding (Total amount outstanding without reduction for amounts held by respondent) (d) | |
| 1 | | | | | |
| 2 | 7.0% Note Due 2004 - Aquila Assigned | 07/15/99 | 07/15/04 | - | |
| 3 | | | | | |
| 4 | 6.875% Note Due 2004 - Aquila Assigned | 10/07/97 | 10/01/04 | - | |
| 5 | | | | | |
| 6 | 9.03% Note Due 2005 - Aquila Assigned | 03/31/99 | 12/01/05 | 4,592,462 | |
| 7 | | | | | |
| 8 | 6.7% Note Due 2006 - Aquila Assigned | 10/15/96 | 10/15/06 | 8,590,000 | |
| 9 | | | | | |
| 10 | 7.625% Note Due 2009 - Aquila Assigned | 11/15/99 | 11/15/09 | 30,200,000 | |
| 11 | | | | | |
| 12 | 7.95% (downgrade 9.95%) Note Due 2011 - Aquila Assigned | 02/01/01 | 02/01/11 | 1,926,961 | |
| 13 | | | | | |
| 14 | 8.27% Note Due 2021 - Aquila Assigned | 03/31/99 | 11/15/21 | 2,191,038 | |
| 15 | | | | | |
| 16 | 8.0% Note due 2023 - Aquila Assigned | 03/01/93 | 03/01/23 | 8,107,000 | |
| 17 | | | | | |
| 18 | 11.875% (downgrade 14.875%) Note Due 2012 - Aquila Assigned | 07/03/02 | 07/01/12 | 11,473,039 | |
| 19 | | | | | |
| 20 | 11.875% (downgrade 14.875%) Note Due 2012 - Aquila Assigned | 07/03/02 | 07/01/12 | 19,564,000 | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |
| 26 | | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | Sub Total | | | 86,644,500 | |
| 32 | | | | | |
| 33 | Less: Current Maturities | | | (4,592,462) | |
| 34 | | | | | |
| 35 | | | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | TOTAL | | | 82,052,038 | |

| | | | | | |
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| LONG-TERM DEBT (Accounts 221, 222, 223, AND 224)(Continued) | | | | | |
| <p>5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.</p> <p>6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.</p> <p>7. If the respondent has any long-term securities which have been nominally issued and are nominally</p> | | | <p>outstanding at end of year, describe such securities in a footnote.</p> <p>8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, <i>Interest on Long-Term Debt</i> and Account 430, <i>Interest on Debt to Associated Companies</i>.</p> <p>9. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.</p> | | |
| INTEREST FOR YEAR | | HELD BY RESPONDENT | | Redemption Price Per \$100 at End of Year (i) | Line No. |
| Rate (in %) (e) | Amount (f) | Reacquired Bonds (Acct. 222) (g) | Sinking and Other Funds (h) | | |
| 7.039% | 690,797 | | | | 1 |
| 6.929% | 596,223 | | | | 2 |
| | | | | | 3 |
| 9.312% | 427,644 | | | | 4 |
| | | | | | 5 |
| 6.745% | 579,396 | | | | 6 |
| | | | | | 7 |
| 7.742% | 2,338,080 | | | | 8 |
| | | | | | 9 |
| 8.010% | 154,344 | | | | 10 |
| | | | | | 11 |
| 8.502% | 186,276 | | | | 12 |
| | | | | | 13 |
| 8.129% | 659,016 | | | | 14 |
| | | | | | 15 |
| 5.35% | 153,453 | | | | 16 |
| | | | | | 17 |
| 6.05% | 593,861 | | | | 18 |
| | | | | | 19 |
| | | | | | 20 |
| | | | | | 21 |
| | | | | | 22 |
| | | | | | 23 |
| | | | | | 24 |
| | | | | | 25 |
| | | | | | 26 |
| | | | | | 27 |
| | | | | | 28 |
| | | | | | 29 |
| | | | | | 30 |
| | | | | | 31 |
| | | | | | 32 |
| | | | | | 33 |
| | | | | | 34 |
| | | | | | 35 |
| | | | | | 36 |
| | | | | | 37 |
| | 6,379,090 | | | | 38 |

| | | | |
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PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)

- | | |
|---|--|
| <p>1. Report particulars of notes and accounts payable to associated companies at end of year.</p> <p>2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234 Accounts Payable to Associated Companies, in addition to a total for the combined accounts.</p> <p>3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate.</p> | <p>4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.</p> <p>5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.</p> <p align="center">* See definition on page 226B</p> |
|---|--|

| Line No. | Particulars (a) | Balance Beginning of Year (b) | Totals for Year | | Balance End of Year (e) | Interest for Year (f) |
|----------|---------------------------|----------------------------------|-----------------|----------------|----------------------------|--------------------------|
| | | | Debits (c) | Credits (d) | | |
| 1 | <u>A/C 233</u> | | | | | |
| 2 | Aquila, Inc. | 36,180,535 | 326,766,282 | 320,699,370 | 30,113,623 | 338,294 |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | <u>A/C 234</u> | | | | | |
| 6 | Gas Supply Services | 19,684,518 | 317,424,446 | 315,358,463 | 17,618,535 | - |
| 7 | | | | | | |
| 8 | Peoples Natural Gas | (5,791) | 258,018 | 241,938 | (21,871) | - |
| 9 | | | | | | |
| 10 | UtiliCorp Energy Delivery | (7,434,996) | 12,298,152 | 20,132,389 | 399,241 | - |
| 11 | | | | | | |
| 12 | Missouri Public Service | (265) | 13,759 | 13,064 | (960) | - |
| 13 | | | | | | |
| 14 | Aquila, Inc. | 2,487,412 | 49,203,366 | 50,286,616 | 3,570,662 | - |
| 15 | | | | | | |
| 16 | West Plains | 2,046 | 10,484 | 8,992 | 554 | - |
| 17 | | | | | | |
| 18 | SJG - St Joe | - | 1,628 | 1,628 | - | - |
| 19 | | | | | | |
| 20 | | - | - | - | - | - |
| 21 | | | | | | |
| 22 | | - | - | - | - | - |
| 23 | | | | | | |
| 24 | | - | - | - | - | - |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | TOTAL A/C 234 | 14,732,924 | 379,209,853 | 386,043,090 | 21,566,161 | - |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | TOTAL | 50,913,459 | 705,976,135 | 706,742,460 | 51,679,784 | 338,294 |

| | | | | |
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| RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES | | | | |
| 1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount. | | 2. If the utility is a member of a group which files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members. | | |
| Line No. | Particulars (Details) (a) | | Amount (b) | |
| 1 | Net Income for the Year (Page 117) | | \$5,271,580 | |
| 2 | Reconciling items for the Year: | | | |
| 3 | | | | |
| 4 | Provisions for Deferred Taxes (Total) & Current Federal Income Tax | | 3,489,583 | |
| 5 | Investment Tax Credit | | (206,200) | |
| 6 | | | | |
| 7 | Deductions Recorded on Books Not Deducted for Return: | | | |
| 8 | Contributions in Aid of Construction | | 1,384,712 | |
| 9 | Amortization of Acquisition Premium | | 1,151,537 | |
| 10 | Nondeductible Club Dues | | 59,646 | |
| 11 | Removal Costs | | 256,808 | |
| 12 | Book Depreciation Over Tax Depreciation | | 1,092,349 | |
| 13 | Gain on Disposition of Assets & Gain on Sale of Storage Fields | | 17,778 | |
| 14 | 50% Meals & Entertainment | | 31,358 | |
| 15 | Deferred Rate Case Expenses | | 131,232 | |
| 16 | Other Miscellaneous | | 5,347 | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | | | | |
| 23 | Deductions on Return Not Charged Against Book Income | | | |
| 24 | Pension Expense | | (1,331,336) | |
| 25 | Employee Incentive Expenses | | (42,935) | |
| 26 | SBT Over/Under Accrual | | (456,000) | |
| 27 | | | | |
| 28 | | | | |
| 29 | | | | |
| 30 | | | | |
| 31 | | | | |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | | | | |
| 38 | | | | |
| 39 | | | | |
| 40 | Federal Tax Net Income | | \$10,855,459 | |
| 41 | Show Computation of Tax: | | | |
| 42 | Federal Tax @ 35 % | | 3,799,411 | |
| 43 | Current Federal - Return to Accrual | | (813,803) | |
| 44 | Other Federal Adjustments | | (1) | |
| 45 | | | | |
| 46 | | | 2,985,607 | |
| 48 | Federal Tax Provision: | | | |
| 49 | Page 114, Line 14, Account 409.1 | | 2,991,581 | |
| 50 | Page 117, Line 47, Account 409.2 | | (5,974) | |
| 51 | | | 2,985,607 | |
| | | | \$2,985,607 | |

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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.

2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or

accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.

3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. List the aggregate of each kind of tax in such manner

| Line. No. | Kind of Tax (See Instruction 5) (a) | BALANCE AT BEGINNING OF YEAR | |
|--------------|---|---|--|
| | | Taxes Accrued (Account 236) (b) | Prepaid Taxes (Incl. in Account 165) (c) |
| 1 | INCOME TAXES: | | |
| 2 | Federal Income | (\$539,835) | |
| 3 | | | |
| 4 | | 0 | |
| 5 | | | |
| 6 | | | |
| 7 | OTHER TAXES: | | |
| 8 | Payroll Taxes | 0 | |
| 9 | Single Business Tax | 664,306 | |
| 10 | Sales/Use and City/County | 808,031 | |
| 11 | Ad Valorem | 2,287,582 | |
| 12 | Other | 0 | |
| 13 | | | |
| 14 | | | |
| 15 | | | |
| 16 | | | |
| 17 | | | |
| 18 | TOTAL | \$3,220,084 | \$0 |

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

| Line No. | Electric Account 408.1, 409.1 (i) | Gas (Account 408.1, 409.1) (j) | Other Utility Departments (Account 408.1, 409.1) (k) | Other Income and Deductions (Account 408.2, 409.2) (l) |
|-------------|--|---|--|--|
| 1 | | | | |
| 2 | | 2,991,581 | | (5,974) |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | 734,482 | | 5,201 |
| 9 | | 253,836 | | 0 |
| 10 | | 56,135 | | 0 |
| 11 | | 2,891,118 | | 0 |
| 12 | | 0 | | 0 |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | TOTAL | \$6,927,152 | | (\$773) |

| | | | |
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|---|--|---|---------------------------------|

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

that the total tax for each State and subdivision can readily be ascertained.

5. If any tax (exclude Federal and state income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll

deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Show in columns (i) and (p) how the taxed accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

| Taxes Charged During Year (d) | Taxes Paid During Year (e) | Adjustments (f) | BALANCE AT END OF YEAR | | Line No. |
|----------------------------------|-------------------------------|--------------------|------------------------------------|---|----------|
| | | | Taxes Accrued (Account 236) (g) | Prepaid Taxes (Incl. in Account 165) (h) | |
| \$2,985,607 | \$501,806 | | 1,943,966 | | 1 |
| | | | | | 2 |
| | | | 0 | | 3 |
| | | | | | 4 |
| | | | | | 5 |
| | | | | | 6 |
| | | | | | 7 |
| 739,683 | 739,683 | 0 | 0 | | 8 |
| 253,836 | 79,466 | 0 | 838,676 | | 9 |
| 56,135 | (21,204) | 698 | 886,068 | | 10 |
| 2,891,118 | 2,904,307 | (68,334) | 2,206,059 | | 11 |
| 0 | 0 | 0 | 0 | | 12 |
| | | | | | 13 |
| | | | | | 14 |
| | | | | | 15 |
| | | | | | 16 |
| | | | | | 17 |
| \$6,926,379 | \$4,204,058 | (\$67,636) | \$5,874,769 | \$0 | 18 |

DISTRIBUTION OF TAXES CHARGE (Show utility department where applicable and account charged.)

| Extraordinary Items (Account 409.3) (m) | Other Utility Opn. Income (Account 408.1, 409.1) (n) | Adjustment to Ret. Earnings (Account 439) (o) | Other (p) | Line No. |
|---|--|---|--------------|----------|
| | | | | 1 |
| | | | | 2 |
| | | | | 3 |
| | | | | 4 |
| | | | | 5 |
| | | | | 6 |
| | | | | 7 |
| | | | | 8 |
| | | | | 9 |
| | | | | 10 |
| | | | | 11 |
| | | | | 12 |
| | | | | 13 |
| | | | | 14 |
| | | | | 15 |
| | | | | 16 |
| | | | | 17 |
| | | | \$0 | 18 |

| | | | |
|---|---|--------------------------------|---------------------------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 |
|---|---|--------------------------------|---------------------------------|

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

1. Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in

column (h). Include in column (j) the average period over which the tax credits are amortized.

2. Fill in columns for all line items as appropriate.

| Line No. | Account Subdivisions (a) | Subaccount Number (b) | Balance at Beginning of Year (c) | Deferred for Year | |
|----------|--------------------------|-----------------------|----------------------------------|--------------------|------------|
| | | | | Account Number (d) | Amount (e) |
| 1 | Gas Utility | | | | |
| 2 | 3% | | 0 | | |
| 3 | 4% | | 11,750 | | |
| 4 | 7% | | 81,049 | | |
| 5 | 8% | | 392,965 | | |
| 6 | 10% | | 948,086 | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | JDITC | | | | |
| 16 | | | | | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | TOTAL | | 1,433,850 | | 0 |
| 21 | Other | | | | |
| 22 | 3% | | | | |
| 23 | 4% | | | | |
| 24 | 7% | | | | |
| 25 | 8% | | | | |
| 26 | 10% | | | | |
| 27 | | | | | |
| 28 | | | | | |
| 29 | | | | | |
| 30 | | | | | |
| 31 | | | | | |
| 32 | JDITC | | | | |
| 33 | | | | | |
| 34 | | | | | |
| 35 | TOTAL | | | | 0 |

NOTES

| | | | | | |
|---|---------------|---|----------------------------------|--|---------------------------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 |
| ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued) | | | | | |
| Allocations to Current Year's Income | | Adjustments (h) | Balance at End of Year (i) | Average Period of Allocation to Income (j) | Line No. |
| Account Number (f) | Amount (g) | | | | |
| 411400 | - | | - | | 1 |
| 411400 | 7,673 | | 4,077 | | 2 |
| 411400 | 12,163 | | 68,886 | | 3 |
| 411400 | 38,031 | | 354,934 | | 4 |
| 411400 | 148,333 | | 799,753 | | 5 |
| | | | | | 6 |
| | | | | | 7 |
| | | | | | 8 |
| | | | | | 9 |
| | | | | | 10 |
| | | | | | 11 |
| | | | | | 12 |
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| | | | | | 14 |
| | | | | | 15 |
| | | | | | 16 |
| | | | | | 17 |
| | | | | | 18 |
| | | | | | 19 |
| | 206,200 | 0 | 1,227,650 | | 20 |
| | | | | | 21 |
| | | | | | 22 |
| | | | | | 23 |
| | | | | | 24 |
| | | | | | 25 |
| | | | | | 26 |
| | | | | | 27 |
| | | | | | 28 |
| | | | | | 29 |
| | | | | | 30 |
| | | | | | 31 |
| | | | | | 32 |
| | | | | | 33 |
| | | | | | 34 |
| | 0 | 0 | 0 | | 35 |
| NOTES (Continued) | | | | | |

| | | | |
|---|---|--------------------------------|---------------------------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks-MGU | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) | Date of Report Dec. 31, 2004 |
|---|---|--------------------------------|---------------------------------|

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

1. Give description and amount of other current and accrued liabilities as of the end of year.
2. Minor items may be grouped by classes, showing number of items in each class.

| Line No. | Item (a) | Balance End of Year (b) |
|----------|--------------------------------|-------------------------------|
| 1 | Accrued Benefits Comp Absences | 49,733 |
| 2 | Accrued Gas Imbalance | 2,649,205 |
| 3 | Accrued Incentive | 221,874 |
| 4 | Accrued Payroll | 157,576 |
| 5 | Miscellaneous | 9,936 |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | TOTAL | 3,088,324 |

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)

| Line No. | List advances by departments (a) | Balance End of Year (b) |
|----------|-------------------------------------|-------------------------------|
| 21 | Gas | - |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |
| 26 | | |
| 27 | | |
| 28 | | |
| 29 | | |
| 30 | | |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |
| 36 | | |
| 37 | | |
| 38 | | |
| 39 | TOTAL | - |

| | | | |
|---|--|--------------------------------|---------------------------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks-MGU | This Report Is: (1) X An Original (2) A Resubmission | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 |
|---|--|--------------------------------|---------------------------------|

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.

2. For any deferred credit being amortized, show the period of amortization.

3. Minor items (less than \$10,000) may be grouped by classes.

4. For any undelivered gas obligations to customers under take-or-pay clauses of sale agreements, show the total amount on this page and report particulars (details) called for by page 267. Show also on this page, but as a separate item, any advance billings or receipts for gas sales or service classified in Account 253 but not related to take-or-pay arrangements.

| Line No. | Description of Other Deferred Credits (a) | Balance at Beginning of Year (b) | DEBITS | | Credits (e) | Balance at End of Year (f) |
|----------|--|-------------------------------------|-----------------------|---------------|----------------|-------------------------------|
| | | | Contra Account (c) | Amount (d) | | |
| 1 | Environmental Liability | \$ 4,899,254 | 182.3 & 186 | \$ 574,254 | \$ - | \$ 4,325,000 |
| 2 | FAS 106 | (1,164,740) | Various | 2,658,600 | 2,548,692 | (1,274,648) |
| 3 | FAS 109 | 2,712,000 | 196 & 282 | 1,939,916 | - | 772,084 |
| 4 | Over/Unrecovered Gas Cost | 584,956 | 400 | 7,363,828 | 7,167,730 | 388,858 |
| 5 | Other | 9,093 | Various | 1,031,063 | 1,083,038 | 61,068 |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | | | | | | |
| 12 | | | | | | |
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| 14 | | | | | | |
| 15 | | | | | | |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | | | | | | |
| 19 | | | | | | |
| 20 | | | | | | |
| 21 | | | | | | |
| 22 | | | | | | |
| 23 | | | | | | |
| 24 | | | | | | |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | | | | | | |
| 29 | | | | | | |
| 30 | | | | | | |
| 31 | | | | | | |
| 32 | | | | | | |
| 33 | | | | | | |
| 34 | | | | | | |
| 35 | | | | | | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | | | | | | |
| 40 | | | | | | |
| 41 | | | | | | |
| 42 | | | | | | |
| 43 | | | | | | |
| 44 | | | | | | |
| 45 | | | | | | |
| 46 | | | | | | |
| 47 | TOTAL | \$7,040,563 | | \$ 13,567,661 | \$ 10,799,460 | \$ 4,272,362 |

| | | | |
|---|---|--------------------------------|---------------------------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 |
|---|---|--------------------------------|---------------------------------|

ACCUMULATED DEFERRED INCOME TAXES--OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. For Other (Specify), include deferrals relating to other

| Line No. | Account Subdivisions (a) | Balance at Beginning of Year (b) | CHANGES DURING YEAR | |
|----------|---|-------------------------------------|---|--|
| | | | Amounts Debited to Account 410.1 (c) | Amounts Credited to Account 411.1 (d) |
| 1 | Account 282 | | | |
| 2 | Electric | | | |
| 3 | Gas | 29,224,468 | (472,205) | 6,222 |
| 4 | Other (Define) | | | |
| 5 | TOTAL (Enter Total of lines 2 thru 4) | 29,224,468 | (472,205) | 6,222 |
| 6 | Other (Specify) | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | TOTAL Account 282 (Enter Total of lines 5 thru 8) | 29,224,468 | (472,205) | 6,222 |
| 10 | Classification of TOTAL | | | |
| 11 | Federal Income Tax | 29,224,468 | (472,205) | 6,222 |
| 12 | State Income Tax | 0 | 0 | 0 |
| 13 | Local Income Tax | | | |

NOTES

| | | | | | | | |
|---|--|---|---------------|--------------------------------|---------------------------------|----------------------------------|-------------|
| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 | | |
| ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282)(Continued) | | | | | | | |
| income and deductions. 3. Use separate pages as required. | | | | | | | |
| CHANGES DURING YEAR | | ADJUSTMENTS | | | | Balance at End of Year (k) | Line No. |
| Amounts Debited to Account 410.2 (e) | Amounts Credited to Account 411.2 (f) | DEBITS | | CREDITS | | | |
| | | Acct. No. (g) | Amount (h) | Acct. No. (i) | Amount (j) | | |
| | | | | | | | 1 |
| | | | | | | | 2 |
| | | 411/190 | 863,906 | 410/283/233 | 2,784,409 | 30,666,544 | 3 |
| | | | | | | | 4 |
| | | 411/190 | 863,906 | 410/283/233 | 2,784,409 | 30,666,544 | 5 |
| | | | | | | | 6 |
| | | | | | | | 7 |
| | | | | | | | 8 |
| | | 411/190 | 863,906 | 410/283/233 | 2,784,409 | 30,666,544 | 9 |
| | | | | | | | 10 |
| | | 411/190 | 863,906 | 410/283/233 | 2,784,409 | 30,666,544 | 11 |
| | | 411/190 | 0 | 410/283/233 | 0 | 0 | 12 |
| | | | | | | | 13 |
| NOTES (Continued) | | | | | | | |

| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | | This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | Date of Report (Mo, Da, Yr) | Year of Report Dec. 31, 2004 |
|--|--|---|---|--|
| ACCUMULATED DEFERRED INCOME TAXES--OTHER (Account 283) | | | | |
| 1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283. | | 2. For Other (Specify), include deferrals relating to other income and deductions. | | |
| Line No. | Account (a) | Balance at Beginning of Year (b) | CHANGES DURING YEAR | |
| | | | Amounts Debited to Account 410.1 (c) | Amounts Credited to Account 411.1 (d) |
| 1 | Electric | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | Other | | | |
| 7 | TOTAL Electric (Total of lines 2 thru 6) | 0 | 0 | 0 |
| 8 | Gas | | | |
| 9 | | 10,116,546 | 420,037 | 0 |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | Other | | | |
| 14 | TOTAL Gas (Total of lines 9 thru 13) | 10,116,546 | 420,037 | 0 |
| 15 | Other (Specify) | | | |
| 16 | TOTAL (Account 283) (Enter total of lines 7, 14 and 15) | 10,116,546 | 420,037 | 0 |
| 17 | Classification of TOTAL | | | |
| 18 | Federal Income Tax | 10,116,546 | 420,037 | 0 |
| 19 | State Income Tax | 0 | 0 | 0 |
| 20 | Local Income Tax | 0 | 0 | 0 |
| NOTES | | | | |

| Name of Respondent Aquila, Inc. d/b/a Aquila Networks - MGU | | This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission | | Date of Report (Mo, Da, Yr) | | Year of Report Dec. 31, 2004 | |
|---|--|---|---------------|--|---------------|----------------------------------|-------------|
| ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued) | | | | | | | |
| 3. Provide in the space below, the order authorizing the use of the account for each line item. Include amounts relating to insignificant items listed under Other. | | | | 4. Fill in all columns for all items as appropriate. 5. Use separate pages as required. | | | |
| CHANGES DURING YEAR | | ADJUSTMENTS | | | | Balance at End of Year (k) | Line No. |
| Amounts Debited to Account 410.2 (e) | Amounts Credited to Account 411.2 (f) | DEBITS | | CREDITS | | | |
| | | Acct. No. (g) | Amount (h) | Acct. No. (i) | Amount (j) | | |
| | | | | | | | 1 |
| | | | | | | | 2 |
| | | | | | | | 3 |
| | | | | | | | 4 |
| | | | | | | | 5 |
| | | | | | | | 6 |
| 0 | 0 | | 0 | | 0 | 0 | 7 |
| | | | | | | | 8 |
| 0 | 0 | 282 | 1,684,025 | 410 | 19,475 | 8,872,033 | 9 |
| | | | | | | | 10 |
| | | | | | | | 11 |
| | | | | | | | 12 |
| | | | | | | | 13 |
| 0 | 0 | 282 | 1,684,025 | 410 | 19,475 | 8,872,033 | 14 |
| | | | | | | | 15 |
| 0 | 0 | 282 | 1,684,025 | 410 | 19,475 | 8,872,033 | 16 |
| | | | | | | | 17 |
| 0 | 0 | 282 | 1,684,025 | 410 | 19,475 | 8,872,033 | 18 |
| 0 | 0 | | 0 | | 0 | 0 | 19 |
| 0 | 0 | | 0 | | 0 | 0 | 23 |
| NOTES (Continued) | | | | | | | |