

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

November 2013

**Muscatine Power and Water
Electric Utility**

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Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - November 2013

	<u>Budget Estimate</u>	<u>% Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>% Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>KWH Generated and Sold</u>					
Gross Generation	35,339,040	2.1X	108,085,667	4.9	103,011,050
Less: Plant Use	<u>4,402,080</u>	1.5X	<u>11,090,936</u>	7.9	<u>10,279,826</u>
Net Generation/Wholesale Sales	<u><u>30,936,960</u></u>	2.1X	<u><u>96,994,731</u></u>	4.6	<u><u>92,731,224</u></u>
<u>Net Capacity Factors</u>					
Unit 9	20.00	2.5X	70.65	11.4	63.44
Unit 8/8A	23.03	40.9	32.44	(45.2)	59.16
Unit 7	---	---	27.17	---	---
Total Plant	18.61	2.2X	58.72	4.8	56.01
<u>KWH Distribution</u>					
Residential	7,412,870	(2.6)	7,216,643	(3.0)	7,440,615
Commercial I	2,848,690	1.7	2,897,756	(0.8)	2,920,069
Commercial II	8,430,310	1.8	8,583,191	13.2	7,580,744
Industrial I	9,144,575	1.8	9,304,820	1.2	9,197,360
Industrial II	38,546,475	3.1	39,752,453	6.0	37,487,714
City Enterprise Funds	436,787	(10.0)	393,139	24.5	315,674
Water & Communications Utilities	<u>1,281,047</u>	4.9	<u>1,344,002</u>	15.5	<u>1,163,322</u>
Native System Sales	68,100,754	2.0	69,492,004	5.1	66,105,498
City Lighting	161,785	(2.9)	157,148	(6.0)	167,134
City Buildings	466,108	16.8	544,397	9.2	498,689
Offline Power Plant Usage	576,310	(57.9)	242,755	(1.1)	245,564
Losses & Cycle Billing	<u>2,141,923</u>	(13.0)	<u>1,863,772</u>	17.6	<u>1,584,676</u>
Total Native System KWH Distributed/Purchased Power	<u><u>71,446,880</u></u>	1.2	<u><u>72,300,076</u></u>	5.4	<u><u>68,601,561</u></u>
 <u>STEAM SALES - 1000 lbs</u>	 <u><u>133,191</u></u>	 50.2	 <u><u>199,988</u></u>	 11.6	 <u><u>179,129</u></u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - November 2013

	<u>Budget</u> <u>Estimate</u>	<u>% Increase</u> <u>(Decrease)</u> <u>From Budget</u>	<u>This</u> <u>Year</u>	<u>% Increase</u> <u>(Decrease)</u> <u>Fr. Last Yr.</u>	<u>Last</u> <u>Year</u>
<u>KWH Generated and Sold</u>					
Gross Generation	719,469,259	50.0	1,079,451,236	56.2	690,947,013
Less: Plant Use	<u>75,436,522</u>	46.2	<u>110,306,007</u>	32.1	<u>83,483,280</u>
Net Generation/Wholesale Sales	<u>644,032,737</u>	50.5	<u>969,145,229</u>	59.5	<u>607,463,733</u>
<u>Net Capacity Factors</u>					
Unit 9	36.07	63.0	58.81	69.5	34.69
Unit 8/8A	35.53	31.6	46.77	22.7	38.11
Unit 7	24.22	(8.1)	22.25	1.1X	10.52
Total Plant	34.80	51.2	52.62	60.3	32.82
<u>KWH Distribution</u>					
Residential	98,950,680	(2.3)	96,680,266	(1.1)	97,787,453
Commercial I	35,886,520	0.3	36,011,285	1.6	35,432,631
Commercial II	97,162,970	(4.6)	92,698,682	0.8	91,990,317
Industrial I	109,975,985	2.9	113,124,280	4.6	108,135,400
Industrial II	415,806,825	(1.9)	407,810,259	(0.8)	411,280,241
City Enterprise Funds	5,008,510	(13.5)	4,334,225	15.6	3,749,576
Water & Communications Utilities	<u>14,756,957</u>	(0.4)	<u>14,691,969</u>	7.5	<u>13,665,874</u>
Native System Sales	777,548,447	(1.6)	765,350,966	0.4	762,041,492
City Lighting	1,868,199	(1.6)	1,837,914	(0.3)	1,844,196
City Buildings	5,766,239	11.0	6,400,242	7.8	5,938,581
Offline Power Plant Usage	2,056,000	53.4	3,154,282	(47.2)	5,970,061
Losses & Cycle Billing	<u>23,608,529</u>	(7.9)	<u>21,741,900</u>	6.5	<u>20,416,067</u>
Total Native System KWH					
Distributed/Purchased Power	<u>810,847,414</u>	(1.5)	<u>798,485,304</u>	0.3	<u>796,210,397</u>
<u>STEAM SALES - 1000 lbs</u>	<u>2,396,343</u>	1.6	<u>2,435,365</u>	1.3	<u>2,403,863</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - November 2013

	<u>Budget</u> <u>Estimate</u>	<u>Avg.</u> <u>Price</u>	<u>This</u> <u>Year</u>	<u>Avg.</u> <u>Price</u>	<u>Last</u> <u>Year</u>	<u>Avg.</u> <u>Price</u>
<u>Sales of Electricity</u>						
Residential	\$679,866	0.09171	\$715,952	0.09921	\$693,547	0.09321
Commercial I	243,640	0.08553	255,385	0.08813	239,612	0.08206
Commercial II	529,460	0.06280	555,109	0.06467	462,916	0.06106
Industrial I	518,394	0.05669	520,042	0.05589	492,960	0.05360
Industrial II	1,880,756	0.04879	1,866,905	0.04696	1,764,035	0.04706
City Enterprise Funds	26,249	0.06010	25,457	0.06475	20,239	0.06411
Water & Communication Utilities	<u>65,282</u>	0.05096	<u>75,937</u>	0.05650	<u>61,617</u>	0.05297
Native System Sales	3,943,647	0.05791	4,014,787	0.05777	3,734,926	0.05650
Wholesale Sales	<u>711,550</u>	0.02300	<u>3,105,301</u>	0.03202	<u>2,527,927</u>	0.02726
Energy Sales	<u>4,655,197</u>		<u>7,120,088</u>		<u>6,262,853</u>	
<u>Steam Sales</u>	<u>510,483</u>	3.83	<u>754,341</u>	3.77	<u>661,787</u>	3.69
<u>Other Revenue</u>						
Rail Car Lease	---		---		183,820	
By-Product Revenue	8,652		10,218		16,406	
Miscellaneous Revenue	<u>52,388</u>		<u>39,862</u>		<u>53,347</u>	
Total Other Revenue	<u>61,040</u>		<u>50,080</u>		<u>253,573</u>	
Operating Revenue	<u>5,226,720</u>		<u>7,924,509</u>		<u>7,178,213</u>	
<u>Operating Expense</u>						
Purchased Power	1,500,384	0.02100	2,096,949	0.02900	1,636,947	0.02386
Production Fuel	974,010		2,549,565		2,246,443	
Emissions Allowance	5,261		5,734		20,711	
Operation	1,941,705		1,943,953		1,853,179	
Maintenance	841,265		738,571		531,857	
Depreciation	<u>944,953</u>		<u>937,001</u>		<u>929,362</u>	
Total Operating Expense	<u>6,207,578</u>		<u>8,271,773</u>		<u>7,218,499</u>	
Operating Loss	<u>(980,858)</u>		<u>(347,264)</u>		<u>(40,286)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	112,537		108,693		104,576	
Interest Expense	<u>(450)</u>		<u>(105)</u>		<u>(22)</u>	
Total Nonoperating Revenue (Expense)	<u>112,087</u>		<u>108,588</u>		<u>104,554</u>	
Net Income (Loss) Before Revenue Adjustment	(868,771)		(238,676)		64,268	
Capital Contributions	<u>---</u>		<u>---</u>		<u>---</u>	
Change in Net Position	(868,771)		(238,676)		64,268	
Beginning Net Position	<u>158,874,699</u>		<u>162,508,579</u>		<u>164,173,434</u>	
Ending Net Position	<u>\$158,005,928</u>		<u>\$162,269,903</u>		<u>\$164,237,702</u>	
Net Loss Before Rev Adj to Op Revenue	(16.6)		(3.0)		0.9	
Change in Net Position to Operating Revenue	(16.6)		(3.0)		0.9	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - November 2013

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$8,590,160	0.08681	\$8,992,221	0.09301	\$8,387,617	0.08577
Commercial I	2,970,352	0.08277	3,022,089	0.08392	2,855,402	0.08059
Commercial II	5,954,988	0.06129	5,773,142	0.06228	5,504,135	0.05983
Industrial I	6,028,683	0.05482	6,076,199	0.05371	5,625,199	0.05202
Industrial II	19,826,185	0.04768	19,261,188	0.04723	18,831,890	0.04579
City Enterprise Funds	291,868	0.05827	272,196	0.06280	231,402	0.06171
Water & Communications Utilities	741,045	0.05022	773,710	0.05266	685,930	0.05019
Native System Sales	44,403,281	0.05711	44,170,745	0.05771	42,121,575	0.05527
Wholesale Sales	19,263,357	0.02991	30,998,985	0.03199	17,321,911	0.02852
Energy Sales	<u>63,666,638</u>		<u>75,169,730</u>		<u>59,443,486</u>	
<u>Steam Sales</u>	<u>8,851,771</u>	3.69	<u>8,923,713</u>	3.66	<u>8,708,192</u>	3.62
<u>Other Revenue</u>						
Rail Car Lease	218,000		215,122		780,765	
By-Product Revenue	320,990		313,454		511,018	
Miscellaneous Revenue	532,947		548,754		563,974	
Total Other Revenue	<u>1,071,937</u>		<u>1,077,330</u>		<u>1,855,757</u>	
Operating Revenue	<u>73,590,346</u>		<u>85,170,773</u>		<u>70,007,435</u>	
<u>Operating Expense</u>						
Purchased Power	19,768,250	0.02438	22,615,563	0.02832	17,591,951	0.02209
Production Fuel	18,747,994		25,335,975		17,915,843	
Emissions Allowance	62,427		76,745		81,417	
Operation	20,823,027		19,660,220		19,355,673	
Maintenance	10,861,907		10,006,544		8,143,300	
Depreciation	10,394,491		10,307,011		10,222,982	
Total Operating Expense	<u>80,658,096</u>		<u>88,002,058</u>		<u>73,311,166</u>	
Operating Loss	<u>(7,067,750)</u>		<u>(2,831,285)</u>		<u>(3,303,731)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	1,224,678		1,186,733		1,153,658	
Interest Expense	(4,950)		(1,630)		(1,428)	
Total Nonoperating Revenue (Expense)	<u>1,219,728</u>		<u>1,185,103</u>		<u>1,152,230</u>	
Net Loss Before Revenue Adjustment and Capital Contributions	<u>(5,848,022)</u>		<u>(1,646,182)</u>		<u>(2,151,501)</u>	
Capital Contributions	---		62,135		11,943	
Revenue Adjustment-Extraordinary O&M	---		---		4,000,000	
Change in Net Position	<u>(5,848,022)</u>		<u>(1,584,047)</u>		<u>1,860,442</u>	
Beginning Net Position	<u>163,853,950</u>		<u>163,853,950</u>		<u>162,377,260</u>	
Ending Net Position	<u>\$158,005,928</u>		<u>\$162,269,903</u>		<u>\$164,237,702</u>	
Net Loss Before Rev Adj to Op Revenue	(8.0)		(1.9)		(3.1)	
Change in Net Position to Operating Revenue	(8.0)		(1.9)		2.7	

Muscatine Power and Water - Electric Utility
Statements of Net Position
November 2013

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$1,031,242	\$6,032,610
Investments	5,001,160	---
Total Restricted Current Assets	<u>6,032,402</u>	<u>6,032,610</u>
<u>Unrestricted</u>		
Cash - interest bearing	8,827,521	8,765,410
Investments	14,000,000	---
Receivables:		
Consumer Accounts	5,177,117	4,870,180
Wholesale	706,430	517,949
Steam Sales	802,941	710,261
Interest	547,435	519,684
Inventories	6,421,175	6,964,117
Fuel	5,189,631	13,847,574
Prepaid Pension	257,812	187,324
Prepaid Expenses	533,432	503,963
Total Unrestricted Current Assets	<u>42,463,494</u>	<u>36,886,462</u>
Total Current Assets	<u>48,495,896</u>	<u>42,919,072</u>
Property and Equipment:		
At Cost	412,813,279	409,605,097
Less Accumulated Depreciation	<u>321,245,131</u>	<u>311,055,022</u>
Net Property and Equipment	<u>91,568,148</u>	<u>98,550,075</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	400,000	---
Joint Venture Rights	107,956	116,964
Total Other Assets	<u>35,834,956</u>	<u>35,443,964</u>
TOTAL ASSETS	<u><u>\$175,899,000</u></u>	<u><u>\$176,913,111</u></u>

Muscatine Power and Water - Electric Utility
Statements of Net Position
November 2013

LIABILITIES AND NET POSITION

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$2,412,917	\$1,457,055
Intercompanies	---	143,751
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	336,529	283,944
Accrued Vacation	1,126,111	1,094,511
Accrued Emission Allowance Expense	62,011	334,807
Consumers' Deposits	595,414	577,674
Accrued Property Taxes	81,633	98,431
Miscellaneous Accrued Expenses	688,157	537,272
Miscellaneous Deferred Credits	2,967	13,850
	<u>5,479,565</u>	<u>4,737,828</u>
Total Unrestricted Current Liabilities		
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,638,070	1,557,587
Post-Employment Health Benefit Provision	298,226	166,758
Consumer Advances for Construction	180,370	180,370
	<u>2,116,666</u>	<u>1,904,715</u>
Total Non-Current Liabilities		
Deferred Revenue - Extraordinary O & M	<u>6,032,866</u>	<u>6,032,866</u>
Net Position:		
Net Investment in Capital Assets	91,568,148	98,550,075
Restricted	6,032,402	6,032,610
Unrestricted	64,669,353	59,655,017
	<u>162,269,903</u>	<u>164,237,702</u>
Total Net Position		
TOTAL LIABILITIES AND NET POSITION	<u><u>\$175,899,000</u></u>	<u><u>\$176,913,111</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
November 2013

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$3,971,499	\$43,740,320
MISO sales	3,242,900	29,280,511
Steam sales	975,197	8,992,270
Coal & transportation allowances	---	3,925
Railcar leasing	22,327	291,585
By-product sales	27,290	196,717
Miscellaneous sources	24,355	(339,315)
Cash paid to/for:		
Suppliers	(986,155)	(7,598,967)
MISO purchases/administration fees	(2,427,066)	(22,611,603)
Coal	(2,535,117)	(15,919,776)
Employees payroll, taxes and benefits	(1,973,003)	(20,959,791)
Net cash flows from operating activities	<u>342,227</u>	<u>15,075,876</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(282,154)</u>	<u>(3,961,506)</u>
Net cash flows from capital and related financing activities	<u>(282,154)</u>	<u>(3,961,506)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(92,470)
Interest received on investments and note receivable	350	863,531
Accrued interest purchased	---	(1,540)
Amortization/accretion of investments	(143)	633
Mark to Market	463	425
Net cash flows from investing activities	<u>670</u>	<u>770,579</u>
Net increase in cash and investments	<u>60,743</u>	<u>11,884,949</u>
Cash and investments at beginning of period	<u>28,799,180</u>	<u>16,974,974</u>
Cash and investments at end of period	<u><u>\$28,859,923</u></u>	<u><u>\$28,859,923</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
November 2013

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$347,264)	(\$2,831,285)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	10,307,011
Amortization of joint venture rights	8,333	95,072
Changes in assets and liabilities:		
Consumer accounts receivable	13,246	(406,507)
Wholesale receivable	75,697	(611,851)
Steam sales receivable	220,593	131,590
Intercompany receivable	---	17,211
Inventories	22,142	145,139
Fuel	(162,571)	7,598,529
Prepaid expenses	124,344	(56,885)
Accounts payable	(279,361)	961,992
Pension provision	(323,890)	(257,812)
Health & dental insurance provision	(33,195)	(11,665)
Other post-employment benefit provision	23,506	129,462
Accrued payroll	99,555	(55,257)
Accrued vacation	2,023	14,267
Accrued emission allowance expense	5,734	(4,014)
Consumers' deposits	3,981	20,498
Retained percentage	(35,917)	---
Accrued property taxes	723	(24,686)
Miscellaneous accrued expenses	(11,621)	(74,050)
Miscellaneous deferred credits	(832)	(10,883)
	<u> </u>	<u> </u>
Net cash flows from operating activities	<u>\$342,227</u>	<u>\$15,075,876</u>

Muscatine Power and Water - Electric Utility
Funds Appropriated for Specific Purposes
November 2013

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,402</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$6,032,402</u>	<u>\$6,032,610</u>

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - November 2013

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$1,500,384</u>	28.7	<u>\$2,096,949</u>	26.5	<u>\$1,636,947</u>	22.8
Average price per kWh	\$0.0210		\$0.0290		\$0.0239	
<u>Generation</u>						
Operation Supervision	74,263		78,872		81,621	
Fuel:						
Coal	873,918		2,463,509		2,163,181	
Fuel Oil	19,089		1,517		2,707	
Gas	10,000		13,097		13,760	
Coal Handling Expense	65,435		66,157		63,738	
Landfill Operation Expense	5,568		5,285		3,057	
Emissions Allowance Expense	5,261		5,734		20,711	
Steam Expense:						
Boiler	164,660		145,401		93,073	
Pollution Control	47,498		34,816		30,198	
Electric Expense	85,522		95,618		94,904	
Miscellaneous Steam Power Expense	148,771		185,303		113,431	
Maintenance:						
Supervision	79,292		76,571		77,322	
Structures	59,076		59,982		59,515	
Boiler Plant:						
Boiler	161,682		245,010		52,596	
Pollution Control	27,712		31,235		17,505	
Electric Plant	70,044		28,843		33,986	
System Control	18,287		16,008		19,215	
Miscellaneous Steam Plant	71,312		66,632		56,772	
Coal Handling Equipment	191,590		59,669		38,490	
System Control and Load Dispatch	24,832		27,172		28,692	
Vacation, Holiday, Sick Leave	130,103		144,786		146,658	
Depreciation	<u>624,688</u>		<u>622,373</u>		<u>622,359</u>	
Total Generation Expense	<u>\$2,958,603</u>	56.6	<u>\$4,473,590</u>	56.5	<u>\$3,833,491</u>	53.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - November 2013

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	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$19,768,250</u>	26.9	<u>\$22,615,563</u>	26.6	<u>\$17,591,951</u>	25.1
Average price per kWh	\$0.0244		\$0.0283		\$0.0221	
<u>Generation</u>						
Operation Supervision	856,038		873,311		834,949	
Fuel:						
Coal	17,521,056		24,283,306		16,882,107	
Fuel Oil	206,729		158,480		178,970	
Gas	180,000		131,072		133,579	
Coal Handling Expense	751,917		708,506		658,881	
Landfill Operation Expense	88,292		54,611		62,306	
Emissions Allowance Expense	62,427		76,745		81,417	
Steam Expense:						
Boiler	1,306,836		1,110,726		1,043,144	
Pollution Control	559,802		405,723		371,993	
Electric Expense	1,071,154		1,016,987		1,025,827	
Miscellaneous Steam Power Expense	1,952,375		1,875,704		1,756,664	
Maintenance:						
Supervision	886,770		890,675		866,068	
Structures	756,273		660,445		589,761	
Boiler Plant:						
Boiler	3,232,158		2,870,142		1,974,509	
Pollution Control	533,633		746,363		740,591	
Electric Plant	1,072,351		959,580		451,314	
System Control	240,893		190,664		185,857	
Miscellaneous Steam Plant	818,434		763,978		711,921	
Coal Handling Equipment	1,234,178		943,764		805,546	
System Control and Load Dispatch	266,579		298,427		319,464	
Vacation, Holiday, Sick Leave	986,085		1,062,822		1,063,700	
Depreciation	<u>6,871,568</u>		<u>6,846,103</u>		<u>6,845,949</u>	
Total Generation Expense	<u>\$41,455,548</u>	56.3	<u>\$46,928,134</u>	55.1	<u>\$37,584,517</u>	53.7

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - November 2013

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$3,695		\$3,795		\$3,834	
Load Dispatching	44,353		52,898		65,060	
Station Expense	6,155		2,070		7,585	
Overhead Line Expense	66		---		469	
Transmission of Electricity by Others	10,934		12,677		2,536	
Miscellaneous Transmission Expense	9,571		4,912		20,245	
Maintenance:						
Supervision	1,885		1,837		1,862	
Structures	110		---		---	
Station Equipment	3,960		4,529		2,851	
Overhead Lines	10,807		10,649		33,818	
Vacation, Holiday, Sick Leave	9,722		7,713		12,350	
Depreciation	30,745		30,625		30,625	
Tax on Rural Property	5,682		1,825		5,944	
Total Transmission Expense	<u>137,685</u>	2.6	<u>133,530</u>	1.7	<u>187,179</u>	2.6
<u>Distribution</u>						
Operation Supervision	10,167		10,761		10,906	
Load Dispatching	36,117		32,350		28,604	
Station Expense	5,923		6,331		(2,477)	
Overhead Line Expense	2,950		1,155		2,522	
Vehicle Expense	15,663		12,457		16,160	
Underground Line Expense	3,177		6,403		2,503	
Street Lighting	1,667		(305)		4,157	
Signal Expense	410		---		---	
Meter Expense	7,075		5,611		11,196	
Consumer Installation Expense	593		112		1,353	
Miscellaneous Distribution Expense	48,393		40,590		51,916	
Maintenance:						
Supervision	9,203		9,744		9,921	
Structures	479		---		---	
Station Equipment	7,477		10,572		9,669	
Overhead Lines	52,477		30,793		24,812	
Underground Lines	8,503		15,440		5,095	
Line Transformers	3,097		432		7,731	
Street Lighting	5,054		12,436		3,363	
Signal System	2,762		316		6,980	
Meters	2,035		1,724		1,325	
Miscellaneous Distribution Plant	2,278		3,452		1,288	
Vacation, Holiday, Sick Leave	43,229		39,387		49,636	
Depreciation	156,137		155,502		152,158	
Tax on Rural Property	1,697		545		1,775	
Total Distribution Expense	<u>\$426,563</u>	8.2	<u>\$395,808</u>	5.0	<u>\$400,593</u>	5.6

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - November 2013

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$40,584		\$44,641		\$41,192	
Load Dispatching	496,447		584,110		562,725	
Station Expense	86,349		77,378		82,788	
Overhead Line Expense	832		2,912		3,219	
Transmission of Electricity by Others	120,266		143,914		29,223	
Miscellaneous Transmission Expense	116,457		59,152		81,083	
Maintenance:						
Supervision	20,540		21,043		18,726	
Structures	10,789		---		---	
Station Equipment	78,898		62,619		45,487	
Overhead Lines	114,329		118,542		132,333	
Vacation, Holiday, Sick Leave	70,854		76,384		60,724	
Depreciation	338,192		336,875		336,875	
Tax on Rural Property	62,502		55,280		61,628	
Total Transmission Expense	<u>1,557,039</u>	2.1	<u>1,582,850</u>	1.9	<u>1,456,003</u>	2.1
<u>Distribution</u>						
Operation Supervision	114,305		124,931		111,003	
Load Dispatching	390,446		321,228		311,870	
Station Expense	77,880		71,368		65,089	
Overhead Line Expense	49,634		20,468		21,265	
Vehicle Expense	172,118		180,245		154,912	
Underground Line Expense	36,589		38,859		34,158	
Street Lighting	18,864		22,867		16,511	
Signal Expense	9,603		4,682		2,511	
Meter Expense	84,882		87,565		107,605	
Consumer Installation Expense	6,710		6,213		15,686	
Miscellaneous Distribution Expense	566,957		550,992		582,280	
Maintenance:						
Supervision	104,219		112,849		99,779	
Structures	10,471		---		---	
Station Equipment	99,099		121,492		76,649	
Overhead Lines	614,359		606,686		521,227	
Underground Lines	98,647		92,831		82,507	
Line Transformers	52,630		53,321		61,182	
Street Lighting	56,910		81,064		31,118	
Signal System	29,282		24,988		53,285	
Meters	27,325		24,250		7,929	
Miscellaneous Distribution Plant	25,058		27,668		21,682	
Vacation, Holiday, Sick Leave	310,923		320,656		297,391	
Depreciation	1,717,512		1,710,522		1,673,738	
Tax on Rural Property	18,667		16,501		18,413	
Total Distribution Expense	<u>\$4,693,090</u>	6.4	<u>\$4,622,246</u>	5.4	<u>\$4,367,790</u>	6.2

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - November 2013

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$14,095		\$7,619		\$8,629	
Energy Efficiency Rebates	19,891		3,060		19,598	
Electric Ranges/Dryers Maintenance	479		849		553	
Electric Water Heaters Maintenance	179		29		197	
Total Customer Service Expense	34,644	0.7	11,557	0.1	28,977	0.4
<u>Consumer Accounts</u>						
Supervision	2,758		2,207		1,996	
Meter Reading Expense	8,215		8,017		9,589	
Consumer Records and Collection	31,373		30,299		30,887	
Uncollectible Accounts Expense	3,297		3,297		2,403	
Vacation, Holiday, Sick Leave	6,643		6,824		6,485	
Total Consumer Accounts Expense	52,286	1.0	50,644	0.6	51,360	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	167,908		161,820		171,569	
Office Supplies and Expenses	21,572		9,841		19,652	
Outside Services Employed	52,519		13,737		59,122	
Property Insurance	55,708		55,169		46,620	
Casualty Ins, Injuries & Damages	36,613		43,587		41,954	
Employee Pensions and Benefits	515,780		576,691		484,780	
Fringe Benefits Charged to Constr.	(22,323)		(22,531)		(34,954)	
Regulatory Commission	8,567		7,061		4,400	
Miscellaneous General Expense	34,429		40,570		46,881	
Maintenance of General Plant	28,278		23,882		24,292	
Maintenance of A/O Center	23,865		28,815		43,449	
Vacation, Holiday, Sick Leave	41,114		42,552		47,967	
Depreciation	133,383		128,501		124,220	
Total Administrative and General	1,097,413	21.0	1,109,695	14.0	1,079,952	15.0
Total Operating Expense	\$6,207,578		\$8,271,773		\$7,218,499	
Percent to Operating Revenue		118.8		104.4		100.6

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - November 2013

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$162,675		\$79,554		\$98,999	
Energy Efficiency Rebates	223,810		112,353		167,766	
Electric Ranges/Dryers Maintenance	5,365		5,971		5,051	
Electric Water Heaters Maintenance	<u>1,872</u>		<u>809</u>		<u>1,014</u>	
Total Customer Service Expense	<u>\$393,722</u>	0.5	<u>\$198,687</u>	0.2	<u>\$272,830</u>	0.4
<u>Consumer Accounts</u>						
Supervision	29,791		32,215		22,744	
Meter Reading Expense	91,821		92,028		94,908	
Consumer Records and Collection	347,687		363,225		329,746	
Uncollectible Accounts Expense	36,263		36,267		26,428	
Vacation, Holiday, Sick Leave	<u>47,531</u>		<u>50,252</u>		<u>49,856</u>	
Total Consumer Accounts Expense	<u>553,093</u>	0.8	<u>573,987</u>	0.7	<u>523,682</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	1,795,475		1,924,107		1,820,274	
Office Supplies and Expenses	237,231		165,754		182,522	
Outside Services Employed	746,419		386,874		624,441	
Property Insurance	584,799		581,212		489,389	
Casualty Ins, Injuries & Damages	402,748		327,509		492,023	
Employee Pensions and Benefits	5,738,258		5,550,772		5,395,420	
Fringe Benefits Charged to Constr.	(267,161)		(228,792)		(240,439)	
Regulatory Commission	94,233		60,937		58,371	
Miscellaneous General Expense	403,627		354,571		364,198	
Maintenance of General Plant	329,953		275,820		251,375	
Maintenance of A/O Center	414,708		357,760		414,454	
Vacation, Holiday, Sick Leave	289,845		310,556		295,945	
Depreciation	<u>1,467,219</u>		<u>1,413,511</u>		<u>1,366,420</u>	
Total Administrative and General	<u>12,237,354</u>	16.6	<u>11,480,591</u>	13.5	<u>11,514,393</u>	16.4
Total Operating Expense	<u><u>\$80,658,096</u></u>		<u><u>\$88,002,058</u></u>		<u><u>\$73,311,166</u></u>	
Percent to Operating Revenue		109.6		103.3		104.7

Muscatine Power and Water - Electric Utility
Statistical Data
November 2013

Total Fuel Cost
 (To & Including Ash Handling, Gas & Oil)

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.930	\$1.811
Per Net MW Generated	\$21.65	\$21.05
Net Peak Monthly Demand-KW	116,300	113,430
Date of Peak	11/26	11/27
Hour of Peak	1900	1100

	<u>Calendar Year-To-Date</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.841	\$1.859
Per Net MW Generated	\$20.66	\$20.91
Net Peak Monthly Demand-KW	138,170	138,450
Date of Peak	9/9	7/5
Hour of Peak	1700	1500

Average Temperature	36.3°	40.6°
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<u>Services</u>	<u>2013</u>	<u>2012</u>
Residential	9,712	9,728
Commercial I	1,363	1,387
Commercial II	116	111
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,258</u>	<u>11,294</u>

**Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - November 2013**

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
Wholesale kWh Sales	<u>30,936,960</u>		<u>96,994,731</u>		<u>92,731,224</u>	
Wholesale Sales	<u>\$711,550</u>	<u>\$0.02300</u>	<u>\$3,105,301</u>	<u>\$0.03202</u>	<u>\$2,527,927</u>	<u>\$0.02726</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	588,476	0.01902	2,012,864	0.02075	1,787,079	0.01927
Emissions:						
SO ² Allowances ^{fn1}	120	0.00000	26	0.00000	39	0.00000
NO _x Allowances ^{fn2}	2,097	0.00007	5,674	0.00006	6,062	0.00007
Other ^{fn3}	<u>191,059</u>	<u>0.00618</u>	<u>187,258</u>	<u>0.00193</u>	<u>192,761</u>	<u>0.00208</u>
Total Variable Costs	<u>781,752</u>	<u>0.02527</u>	<u>2,205,822</u>	<u>0.02274</u>	<u>1,985,941</u>	<u>0.02142</u>
Gross Margin	<u>(\$70,202)</u>	<u>(\$0.00227)</u>	<u>\$899,479</u>	<u>\$0.00927</u>	<u>\$541,986</u>	<u>\$0.00584</u>
Percent Gross Margin	-9.9%		29.0%		21.4%	

Calendar Year To Date

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
Wholesale kWh Sales	<u>644,032,737</u>		<u>969,145,229</u>		<u>607,463,733</u>	
Wholesale Sales	<u>\$19,263,357</u>	<u>\$0.02991</u>	<u>\$30,998,985</u>	<u>\$0.03199</u>	<u>\$17,321,911</u>	<u>\$0.02852</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	12,446,093	0.01933	19,086,330	0.01969	11,858,107	0.01952
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	1,904	0.00000	470	0.00000	640	0.00000
NO _x Allowances ^{fn3}	44,885,110	0.06969	70,636	0.00007	42,444	0.00007
Other ^{fn4}	<u>2,101,649</u>	<u>0.00326</u>	<u>2,078,843</u>	<u>0.00215</u>	<u>2,124,286</u>	<u>0.00350</u>
Total Variable Costs	<u>59,434,756</u>	<u>0.09229</u>	<u>21,236,279</u>	<u>0.02191</u>	<u>14,025,477</u>	<u>0.02309</u>
Gross Margin	<u>(\$40,171,399)</u>	<u>(\$0.06237)</u>	<u>\$9,762,706</u>	<u>\$0.01007</u>	<u>\$3,296,434</u>	<u>\$0.00543</u>
Percent Gross Margin	-208.5%		31.5%		19.0%	

Allowance costs are based on budgeted and market prices for allowances:

	Budget	2013	2012
fn1 SO ² (Acid Rain Program)	\$2.00	\$0.75	\$0.50
YTD SO ²	2.00	0.75	1.27
fn2 NO _x annual	42.50	45.00	40.00
NO _x seasonal	10.00	21.50	0.00
fn3 YTD NO _x annual	42.50	42.88	40.89
YTD NO _x seasonal	10.00	15.77	8.96

fn4 Other includes variable generation O&M, rail car cost, and Title V permit fees. Costs included have been amortized evenly over the year.