

**Muscatine Power and Water**

**Electric Utility**

**Statement of Revenues, Expenses and Changes in Net Position**

**August 2016**

**Muscatine Power and Water  
Electric Utility**

**Table of Contents**

	Page
Classification of Electric Energy Distribution.....	1 - 2
Statements of Revenues, Expenses, and Changes in Net Position.....	3 - 4
Statements of Net Position.....	5 - 6
Statements of Cash Flows.....	7 - 8
Funds Appropriated for Specific Purposes.....	9
Summary of Expenses.....	10 - 15
Statistical Data.....	16
Wholesale Sales Analysis.....	17

**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Current Month - August 2016**

	<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>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	119,173,771	(5.6)	112,515,894	14.8	97,995,335
Less: Plant Use	<u>10,992,228</u>	4.4	<u>11,472,800</u>	7.9	<u>10,635,976</u>
Net Generation/Wholesale Sales	<u><u>108,181,543</u></u>	(6.6)	<u><u>101,043,094</u></u>	15.7	<u><u>87,359,359</u></u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	65.00	1.3	65.84	24.5	52.90
Unit 8/8A	73.88	(18.0)	60.56	0.2	60.46
Unit 7	30.00	(29.5)	21.15	6.0	19.96
Total Plant	63.05	(3.9)	60.60	19.0	50.91
<b><u>KWH Distribution</u></b>					
Residential	11,583,614	3.1	11,939,353	7.0	11,163,126
Commercial I	3,833,346	(1.2)	3,787,443	2.5	3,695,607
Commercial II	10,462,258	(20.8)	8,281,500	(16.3)	9,900,040
Industrial I	11,752,882	10.7	13,010,500	12.8	11,533,700
Industrial II	38,599,342	(5.9)	36,303,716	(2.9)	37,386,453
City Enterprise Funds	401,210	8.1	433,690	2.4	423,467
Water & Communications Utilities	<u>1,619,556</u>	3.0	<u>1,668,216</u>	1.3	<u>1,647,577</u>
Native System Sales	78,252,208	(3.6)	75,424,418	(0.4)	75,749,970
City Lighting	136,005	(78.0)	29,987	(79.2)	143,855
City Buildings	612,767	(9.2)	556,367	(6.4)	594,521
Offline Power Plant Usage	40,000	3.0X	159,240	(38.9)	260,489
Losses & Cycle Billing	<u>2,342,444</u>	18.0	<u>2,765,082</u>	1.2X	<u>1,243,524</u>
Total Native System KWH Distributed/Purchased Power	<u><u>81,383,424</u></u>	(3.0)	<u><u>78,935,094</u></u>	1.2	<u><u>77,992,359</u></u>
<b><u>STEAM SALES - 1000 lbs</u></b>	<u><u>270,771</u></u>	1.5	<u><u>274,966</u></u>	0.6	<u><u>273,260</u></u>

**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Calendar Year-to-Date - August 2016**

	<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>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	785,432,498	(17.7)	646,760,639	(13.6)	748,404,551
Less: Plant Use	<u>76,536,760</u>	(2.1)	<u>74,925,980</u>	(9.4)	<u>82,677,093</u>
Net Generation/Wholesale Sales	<u><u>708,895,738</u></u>	(19.3)	<u><u>571,834,659</u></u>	(14.1)	<u><u>665,727,458</u></u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	58.59	(14.1)	50.33	(16.2)	60.04
Unit 8/8A	46.05	(22.3)	35.79	8.8	32.91
Unit 7	22.87	(61.8)	8.73	3.7	8.42
Total Plant	52.49	(17.0)	43.57	(12.0)	49.51
<b><u>KWH Distribution</u></b>					
Residential	73,075,961	(2.2)	71,488,483	2.5	69,718,675
Commercial I	26,410,920	(5.8)	24,880,170	0.7	24,710,221
Commercial II	75,846,846	(14.2)	65,111,160	(11.6)	73,640,760
Industrial I	77,636,777	3.5	80,333,600	(0.0)	80,347,200
Industrial II	313,713,396	(5.3)	296,978,736	(1.4)	301,183,213
City Enterprise Funds	3,431,823	(1.4)	3,384,634	(7.3)	3,649,232
Water & Communications Utilities	<u>12,292,375</u>	(3.0)	<u>11,923,596</u>	(0.6)	<u>11,989,814</u>
Native System Sales	582,408,098	(4.9)	554,100,379	(2.0)	565,239,115
City Lighting	1,136,956	(65.1)	396,941	(67.8)	1,234,273
City Buildings	4,905,466	(10.2)	4,403,714	(3.9)	4,581,594
Offline Power Plant Usage	670,000	2.5X	2,358,115	86.7	1,262,972
Losses & Cycle Billing	<u>18,047,657</u>	3.7	<u>18,714,763</u>	9.5	<u>17,094,834</u>
Total Native System KWH Distributed/Purchased Power	<u><u>607,168,177</u></u>	(4.5)	<u><u>579,973,912</u></u>	(1.6)	<u><u>589,412,788</u></u>
<b><u>STEAM SALES - 1000 lbs</u></b>	<u><u>1,792,404</u></u>	7.4	<u><u>1,924,816</u></u>	8.7	<u><u>1,770,310</u></u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Current Month - August 2016**

	Budget		% Increase (Decrease) from Budget	This Year		% Increase (Decrease) from Last Year	Last Year	
	Estimate	Avg. Price		Avg. Price	Year		Avg. Price	Avg. Price
<b><u>Sales of Electricity</u></b>								
Residential	\$1,244,070	\$ 0.10740	0.1	\$1,245,189	\$ 0.10429	10.3	\$1,128,705	\$ 0.10111
Commercial I	395,353	0.10314	(2.8)	384,131	0.10142	7.3	358,078	0.09689
Commercial II	802,161	0.07667	(18.4)	654,570	0.07904	(8.9)	718,796	0.07261
Industrial I	716,239	0.06094	11.3	797,156	0.06127	19.0	669,861	0.05808
Industrial II	1,986,732	0.05147	(4.6)	1,895,793	0.05222	2.6	1,848,295	0.04944
City Enterprise Funds	31,176	0.07770	6.4	33,176	0.07650	1.5	32,684	0.07718
Water & Communication Utilities	106,627	0.06584	(4.7)	101,574	0.06089	4.1	97,571	0.05922
Native System Sales	5,282,358	0.06750	(3.2)	5,111,589	0.06777	5.3	4,853,990	0.06408
Wholesale Sales	3,775,536	0.03490	7.7	4,068,011	0.04026	66.1	2,449,811	0.02804
Energy Sales	9,057,894		1.3	9,179,600		25.7	7,303,801	
<b><u>Steam Sales</u></b>	<b>1,106,300</b>	<b>4.09</b>	<b>(1.9)</b>	<b>1,084,786</b>	<b>3.95</b>	<b>2.7</b>	<b>1,055,969</b>	<b>3.86</b>
<b><u>Other Revenue</u></b>								
Rail Car Lease	---			---			---	
By-Product Revenue	32,934		60.1	52,715		50.7	34,971	
Miscellaneous Revenue	52,450		39.3	73,072		21.3	60,254	
Total Other Revenue	85,384		47.3	125,787		32.1	95,225	
Operating Revenue	10,249,578		1.4	10,390,173		22.9	8,454,995	
<b><u>Operating Expense</u></b>								
Purchased Power	2,479,850	0.03047	13.4	2,813,029	0.03564	46.9	1,915,379	0.02456
Production Fuel	2,823,811		(6.6)	2,637,570		9.2	2,416,184	
Emissions Allowance	72,964		(35.3)	47,183		(1.7)	47,997	
Operation	2,332,291		(6.8)	2,174,019		19.2	1,823,256	
Maintenance	899,919		(25.0)	675,348		(15.4)	798,742	
Depreciation	884,956		(5.4)	837,341		(13.1)	963,852	
Total Operating Expense	9,493,791		(3.3)	9,184,490		15.3	7,965,410	
Operating Income	755,787		59.5	1,205,683		1.5X	489,585	
<b><u>Nonoperating Revenue (Expense)</u></b>								
Interest Income	8,779		66.5	14,614		55.6	9,393	
Interest Expense	(167)		61.1	(269)		1.4X	(110)	
Total Nonoperating Revenue (Expense)	8,612		66.6	14,345		54.5	9,283	
<b>Net Income Before Revenue Adjustment</b>	<b>764,399</b>		<b>59.6</b>	<b>1,220,028</b>		<b>1.4X</b>	<b>498,868</b>	
Capital Contributions	---		---	---		---	---	
Write Off - Loan to Communications	---		---	---		---	---	
<b>Change in Net Position</b>	<b>764,399</b>		<b>59.6</b>	<b>1,220,028</b>		<b>1.4X</b>	<b>498,868</b>	
<b>Beginning Net Position</b>	<b>121,361,944</b>			<b>123,909,072</b>			<b>129,878,650</b>	
<b>Ending Net Position</b>	<b>\$122,126,343</b>			<b>\$125,129,100</b>			<b>\$130,377,518</b>	
Net Loss Before Rev Adj to Op Revenue	7.5			11.7			5.9	
Change in Net Position to Operating Revenue	7.5			11.7			5.9	

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Calendar Year-to-Date - August 2016**

	Budget		% Increase (Decrease) from Budget	This Year		% Increase (Decrease) from Last Year	Last Year	
	Estimate	Avg. Price		Avg. Price			Avg. Price	
<b><u>Sales of Electricity</u></b>								
Residential	\$7,917,782	\$ 0.10835	(4.7)	\$7,549,459	\$ 0.10560	4.3	\$7,241,477	\$ 0.10387
Commercial I	2,661,015	0.10075	(7.7)	2,456,286	0.09872	3.2	2,380,168	0.09632
Commercial II	5,744,393	0.07574	(13.0)	4,996,805	0.07674	(7.4)	5,397,275	0.07329
Industrial I	4,739,712	0.06105	4.6	4,959,554	0.06174	3.0	4,816,948	0.05995
Industrial II	15,305,597	0.04879	(3.0)	14,852,443	0.05001	(0.5)	14,922,497	0.04955
City Enterprise Funds	247,435	0.07210	1.5	251,110	0.07419	(4.3)	262,364	0.07190
Water & Communications Utilities	786,203	0.06396	(7.3)	728,613	0.06111	(0.9)	735,162	0.06132
Native System Sales	37,402,137	0.06422	(4.3)	35,794,270	0.06460	0.1	35,755,891	0.06326
Wholesale Sales	24,021,657	0.03389	(26.9)	17,548,887	0.03069	(9.0)	19,286,451	0.02897
Energy Sales	61,423,794		(13.2)	53,343,157		(3.1)	55,042,342	
<b>Steam Sales</b>	<b>7,397,330</b>	<b>4.13</b>	<b>3.1</b>	<b>7,628,999</b>	<b>3.96</b>	<b>7.4</b>	<b>7,103,297</b>	<b>4.01</b>
<b><u>Other Revenue</u></b>								
Rail Car Lease	117,000		---	---		---	---	
By-Product Revenue	226,562		(6.8)	211,135		14.3	184,677	
Miscellaneous Revenue	418,745		17.8	493,112		19.3	413,224	
Total Other Revenue	762,307		(7.6)	704,247		17.8	597,901	
Operating Revenue	69,583,431		(11.4)	61,676,403		(1.7)	62,743,540	
<b><u>Operating Expense</u></b>								
Purchased Power	17,173,594	0.02828	(13.1)	14,920,221	0.02573	0.9	14,787,722	0.02509
Production Fuel	18,630,776		(15.7)	15,712,504		(12.8)	18,013,179	
Emissions Allowance	308,025		(44.4)	171,226		(34.6)	261,747	
Operation	18,500,144		(10.8)	16,508,862		6.8	15,462,317	
Maintenance	8,931,637		(34.3)	5,871,363		(17.9)	7,153,089	
Depreciation	7,079,650		(5.4)	6,698,730		(13.1)	7,710,811	
Total Operating Expense	70,623,826		(15.2)	59,882,906		(5.5)	63,388,865	
Operating Income (Loss)	(1,040,395)		-2.7X	1,793,497		-3.8X	(645,325)	
<b><u>Nonoperating Revenue (Expense)</u></b>								
Interest Income	68,663		52.6	104,788		61.7	64,790	
Interest Expense	(1,333)		62.8	(2,170)		1.3X	(953)	
Total Nonoperating Revenue (Expense)	67,330		52.4	102,618		60.8	63,837	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(973,065)		-2.9X	1,896,115		-4.3X	(581,488)	
Capital Contributions	---		---	133,577		8.4X	14,168	
Write Off - Loan to Communications	---		---	---		---	(25,327,000)	
Change in Net Position	(973,065)		-3.1X	2,029,692		-1.1X	(25,894,320)	
Beginning Net Position	123,099,408			123,099,408			156,271,838	
Ending Net Position	\$122,126,343			\$125,129,100			\$130,377,518	
Net Income (Loss) Before Rev Adj to Op Revenue	(1.4)			3.1			(0.9)	
Change in Net Position to Operating Revenue	(1.4)			3.3			(41.3)	

**Muscatine Power and Water - Electric Utility**  
**Statements of Net Position**  
**August 2016**

**ASSETS**

	<u>2016</u>	<u>2015</u>
<b>Current Assets:</b>		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$14,911,045	\$12,467,161
Investments	5,001,329	7,000,000
Receivables:		
Consumer Accounts	6,422,978	5,978,253
Refined Coal	4,526,719	3,232,068
Wholesale	964,384	310,453
Steam Sales	1,085,149	1,056,322
Interest	64,570	22,845
Inventories	5,705,578	5,970,252
Fuel	13,794,803	13,033,111
Prepaid Expenses	947,588	1,051,442
	<hr/>	<hr/>
Total Unrestricted Current Assets	53,424,143	50,121,907
	<hr/>	<hr/>
<u>Restricted Assets</u>		
Cash - interest bearing	833,910	3,066,139
Investments	12,250,000	10,000,000
	<hr/>	<hr/>
Total Restricted Current Assets	13,083,910	13,066,139
	<hr/>	<hr/>
Total Current Assets	66,508,053	63,188,046
	<hr/>	<hr/>
<b>Property and Equipment:</b>		
At Cost	423,553,048	418,139,380
Less Accumulated Depreciation	347,193,945	338,395,714
	<hr/>	<hr/>
Net Property and Equipment	76,359,103	79,743,666
	<hr/>	<hr/>
<b>Other Assets:</b>		
Note Receivable - Communications Utility	9,523,335	10,000,000
Note Receivable - Water Utility	2,900,000	2,900,000
Joint Venture Rights	110,002	104,426
	<hr/>	<hr/>
Total Other Assets	12,533,337	13,004,426
	<hr/>	<hr/>
<b>Deferred Outflows of Resources - Pension</b>		
Changes of Assumptions	2,764,049	---
Difference between projected and actual earnings on pension plan	575,136	---
Contributions subsequent to measurement date	3,302,724	---
	<hr/>	<hr/>
Total Deferred Outflows of Resources - Pension	6,641,909	---
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$162,042,402</u>	<u>\$155,936,138</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Net Position**  
**August 2016**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

	<u>2016</u>	<u>2015</u>
<b>Current Liabilities:</b>		
<u>Unrestricted</u>		
Accounts Payable	\$6,789,285	\$5,918,060
Pension Provision	---	986,683
Health & Dental Insurance Provision	295,620	289,930
Accrued Payroll	184,044	707,285
Accrued Vacation	1,184,320	1,165,558
Accrued Emission Allowance Expense	171,226	260,957
Consumers' Deposits	759,130	732,047
Retained Percentage on Contracts	4,527	622
Accrued Property Taxes	119,271	118,613
Miscellaneous Accrued Expenses	1,073,493	625,072
Unearned Revenue	205,229	112,755
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	10,786,145	10,917,582
	<hr/>	<hr/>
<b>Non-Current Liabilities:</b>		
Health & Dental Insurance Provision	1,012,814	1,042,507
Post-Employment Health Benefit Provision	400,454	381,926
Net Pension Liability	11,022,103	---
Consumer Advances for Construction	---	183,739
	<hr/>	<hr/>
Total Non-Current Liabilities	12,435,371	1,608,172
	<hr/>	<hr/>
<b>Deferred Inflows of Resources</b>		
Extraordinary O&M	13,032,866	13,032,866
Pension		
Differences between expected and actual experience	658,920	---
	<hr/>	<hr/>
Total Deferred Inflows of Resources	13,691,786	13,032,866
	<hr/>	<hr/>
<b>Net Position:</b>		
Net Investment in Capital Assets	76,359,103	79,743,666
Restricted	19,725,819	13,066,139
Unrestricted	29,044,178	37,567,713
	<hr/>	<hr/>
Total Net Position	125,129,100	130,377,518
	<hr/>	<hr/>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$162,042,402</u>	<u>\$155,936,138</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**August 2016**

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,863,767	\$34,691,622
MISO sales	3,755,258	14,998,094
Steam sales	1,049,400	7,347,075
Coal sales	4,418,845	24,977,740
Railcar/facilities leasing	5,408	43,264
By-product sales	23,485	114,523
Miscellaneous sources	369,154	1,138,592
Cash paid to/for:		
Suppliers	(888,010)	(6,355,253)
MISO purchases/administration fees	(2,536,744)	(13,606,701)
Coal purchases	(6,436,778)	(35,702,465)
Employees payroll, taxes and benefits	(2,278,343)	(16,036,663)
Net cash flows from operating activities	<u>2,345,442</u>	<u>11,609,828</u>
Cash flows from noncapital financing activities:		
Interest received on notes receivable from water & communications utilities	---	---
Principal received on note receivable from communications utility	---	---
Loan to Water Utility	---	---
Net cash flows from noncapital financing activities	<u>---</u>	<u>---</u>
Cash flows from capital financing activities:		
Capital expenditures, net	<u>(431,639)</u>	<u>(4,678,306)</u>
Net cash flows from capital and related financing activities	<u>(431,639)</u>	<u>(4,678,306)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(23,725)	(69,555)
Interest received on investments	2,461	54,253
Accrued interest purchased	---	(5,250)
Amortization/accretion of investments	(128)	(445)
Mark to Market	860	4,202
Net cash flows from investing activities	<u>(20,532)</u>	<u>(16,795)</u>
Net increase in cash and investments	<u>1,893,271</u>	<u>6,914,727</u>
Cash and investments at beginning of period	<u>31,103,013</u>	<u>26,081,557</u>
Cash and investments at end of period	<u>\$32,996,284</u>	<u>\$32,996,284</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**August 2016**

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$1,205,683	\$1,793,497
Noncash items in operating income:		
Depreciation of electric utility plant	837,341	6,698,730
Amortization of joint venture rights	7,458	63,942
Change in deferred inflows of resources - pension	---	---
Change in deferred outflows of resources - pension	(280,227)	(1,120,909)
Changes in assets and liabilities:		
Consumer accounts receivable	(88,217)	(860,674)
Refined coal	(102,466)	(1,512,661)
Wholesale receivable	16,748	(951,983)
Steam sales receivable	(3,780)	(84,626)
Inventories	(41,620)	181,324
Fuel	566,912	3,623,755
Prepaid expenses	138,288	(77,457)
Accounts payable	111,167	2,744,390
Net pension liability	179,935	1,439,477
Health & dental insurance provision	21,991	(61,590)
Other post-employment benefit provision	2,316	18,528
Accrued payroll	(452,532)	(421,091)
Accrued vacation	(18,954)	(11,968)
Accrued emission allowance expense	47,184	(223,487)
Consumers' deposits	1,720	25,813
Retained Percentage	---	(44,083)
Accrued property taxes	8,049	17,152
Unearned revenue	(24,110)	148,646
Miscellaneous accrued expenses	212,556	225,103
	<u>\$2,345,442</u>	<u>\$11,609,828</u>
Net cash flows from operating activities	<u>\$2,345,442</u>	<u>\$11,609,828</u>

Muscatine Power and Water - Electric Utility  
Funds Appropriated for Specific Purposes  
August 2016

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,083,910</u>	<u>\$13,066,139</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$13,083,910</u></u>	<u><u>\$13,066,139</u></u>

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - August 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Purchased Power</u></b>	<u>\$2,479,850</u>	24.2	<u>\$2,813,029</u>	27.1	<u>\$1,915,379</u>	22.7
Average price per kWh	\$0.0305		\$0.0356		\$0.0246	
<b><u>Generation</u></b>						
Operation Supervision (500)	87,764		86,098		83,675	
Fuel: (501)						
Coal	2,720,387		2,544,480		2,319,513	
Fuel Oil	9,000		114		687	
Gas	10,500		32,620		13,683	
Coal Handling Expense (501-003)	70,784		51,893		77,314	
Landfill Operation Expense (501-925)	13,140		8,463		4,987	
Emissions Allowance Expense (509)	72,964		47,183		47,997	
Steam Expense:						
Boiler (502-004)	102,651		138,613		112,599	
Pollution Control (502-005)	140,771		116,898		92,384	
Electric Expense (505)	114,502		112,741		99,217	
Miscellaneous Steam Power Expense (506)	433,520		254,098		233,794	
Maintenance:						
Supervision (510)	93,830		70,402		86,091	
Structures (511)	104,925		59,463		69,310	
Boiler Plant:						
Boiler (512-006)	193,309		109,100		175,166	
Pollution Control (512-007)	64,985		53,814		34,514	
Electric Plant (513-008)	54,736		29,236		47,117	
System Control (513-009)	21,193		18,815		16,432	
Miscellaneous Steam Plant (514)	73,176		65,115		78,181	
Coal Handling Equipment (516)	68,240		84,688		82,619	
System Control and Load Dispatch (556)	32,155		21,244		22,643	
Vacation, Holiday, Sick Leave (557)	80,722		72,230		64,941	
Depreciation (558)	<u>645,074</u>		<u>637,587</u>		<u>636,060</u>	
<b>Total Generation Expense</b>	<u>\$5,208,328</u>	50.8	<u>\$4,614,895</u>	44.4	<u>\$4,398,924</u>	52.0

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - August 2016**

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$17,173,594</u>	24.7	<u>\$14,920,221</u>	24.2	<u>\$14,787,722</u>	23.6
Average price per kWh	\$0.0283		\$0.0257		\$0.0251	
 <b><u>Generation</u></b>						
Operation Supervision (500)	721,251		654,374		659,759	
Fuel: (501)						
Coal	17,799,551		15,102,251		17,359,837	
Fuel Oil	79,131		51,231		28,949	
Gas	130,000		112,359		130,677	
Coal Handling Expense (501-003)	532,266		372,483		459,824	
Landfill Operation Expense (501-925)	89,828		74,180		33,892	
Emissions Allowance Expense (509)	308,025		171,226		261,747	
Steam Expense:						
Boiler (502-004)	871,020		875,906		831,912	
Pollution Control (502-005)	1,172,093		564,293		331,542	
Electric Expense (505)	844,024		821,582		749,922	
Miscellaneous Steam Power Expense (506)	2,785,381		1,628,299		1,643,737	
Maintenance:						
Supervision (510)	729,166		557,161		704,311	
Structures (511)	607,248		369,490		469,076	
Boiler Plant:						
Boiler (512-006)	2,820,172		1,148,297		1,677,957	
Pollution Control (512-007)	497,766		508,898		524,007	
Electric Plant (513-008)	722,883		289,062		473,985	
System Control (513-009)	176,171		170,703		140,252	
Miscellaneous Steam Plant (514)	622,371		462,490		510,123	
Coal Handling Equipment (516)	811,783		654,463		975,502	
System Control and Load Dispatch (556)	261,676		186,864		211,682	
Vacation, Holiday, Sick Leave (557)	780,315		726,117		761,478	
Depreciation (558)	5,160,595		5,100,699		5,088,480	
 Total Generation Expense	 <u>\$38,522,716</u>	 55.4	 <u>\$30,602,428</u>	 49.6	 <u>\$34,028,651</u>	 54.2

**Muscatine Power and Water - Electric Utility  
Summary of Expenses  
Current Month - August 2016**

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision (560)	\$5,626		\$8,247		\$5,584	
Load Dispatching (561)	59,953		66,413		61,485	
Station Expense (562)	8,441		11,729		12,898	
Overhead Line Expense (563)	135		---		---	
Transmission of Electricity by Others (565)	71,150		76,911		44,714	
Miscellaneous Transmission Expense (566)	8,477		11,947		5,628	
Maintenance:						
Supervision (568)	3,519		2,969		3,345	
Structures (569)	89		---		---	
Station Equipment (570)	6,617		13,081		3,753	
Overhead Lines (571)	13,927		6,616		16,190	
Vacation, Holiday, Sick Leave (575)	6,861		6,110		5,576	
Depreciation (576)	31,050		31,072		30,688	
Tax on Rural Property (577)	5,673		5,686		5,642	
	<hr/>		<hr/>		<hr/>	
Total Transmission Expense	221,518	2.2	240,781	2.3	195,503	2.3
<b><u>Distribution</u></b>						
Operation Supervision (580)	17,383		17,325		16,125	
Load Dispatching (581)	28,033		38,381		28,951	
Station Expense (582)	8,665		9,480		5,946	
Overhead Line Expense (583)	2,568		1,673		1,767	
Vehicle Expense (589)	18,459		13,811		10,327	
Underground Line Expense (584)	4,339		3,478		2,968	
Street Lighting (585-418)	4,408		1,635		9,214	
Signal Expense (585-419)	714		83		471	
Meter Expense (586)	10,150		11,966		9,189	
Consumer Installation Expense (587)	543		480		898	
Miscellaneous Distribution Expense (588)	53,012		70,273		63,126	
Maintenance:						
Supervision (590)	16,217		12,553		14,163	
Structures (591)	933		---		---	
Station Equipment (592)	9,888		14,152		8,332	
Overhead Lines (593)	65,652		28,134		37,396	
Underground Lines (594)	17,141		9,950		12,260	
Line Transformers (595)	4,690		2,752		5,320	
Street Lighting (596-418)	7,623		17,208		8,298	
Signal System (596-419)	3,201		9,460		11,047	
Meters (597)	2,094		2,617		3,586	
Miscellaneous Distribution Plant (598)	2,542		3,907		2,193	
Vacation, Holiday, Sick Leave (599)	25,752		21,931		23,247	
Depreciation (578)	168,629		168,481		163,755	
Tax on Rural Property (579)	1,694		1,698		1,685	
	<hr/>		<hr/>		<hr/>	
Total Distribution Expense	\$474,330	4.6	\$461,428	4.4	\$440,264	5.2

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - August 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision (560)	\$44,027		\$53,069		\$39,281	
Load Dispatching (561)	474,862		474,837		477,117	
Station Expense (562)	70,048		87,678		84,463	
Overhead Line Expense (563)	692		4,765		3,013	
Transmission of Electricity by Others (565)	569,204		616,465		399,807	
Miscellaneous Transmission Expense (566)	125,484		146,194		50,965	
Maintenance:						
Supervision (568)	27,534		25,907		21,512	
Structures (569)	955		---		---	
Station Equipment (570)	91,810		87,223		29,740	
Overhead Lines (571)	208,926		154,767		205,820	
Vacation, Holiday, Sick Leave (575)	66,000		64,322		57,222	
Depreciation (576)	248,399		248,576		245,503	
Tax on Rural Property (577)	45,383		45,569		45,231	
	<u>1,973,324</u>	2.8	<u>2,009,372</u>	3.3	<u>1,659,674</u>	2.6
<b><u>Distribution</u></b>						
Operation Supervision (580)	130,887		134,745		104,299	
Load Dispatching (581)	220,688		271,346		244,114	
Station Expense (582)	61,878		63,353		57,722	
Overhead Line Expense (583)	39,833		18,433		23,394	
Vehicle Expense (589)	147,621		98,909		113,818	
Underground Line Expense (584)	32,133		29,164		31,184	
Street Lighting (585-418)	34,328		8,011		35,099	
Signal Expense (585-419)	5,379		974		1,020	
Meter Expense (586)	81,976		85,121		67,475	
Consumer Installation Expense (587)	4,240		5,256		3,802	
Miscellaneous Distribution Expense (588)	446,514		436,879		449,750	
Maintenance:						
Supervision (590)	118,193		110,299		90,534	
Structures (591)	12,339		17		---	
Station Equipment (592)	79,572		81,228		97,884	
Overhead Lines (593)	459,296		395,218		423,620	
Underground Lines (594)	131,307		141,573		114,284	
Line Transformers (595)	49,646		21,402		38,853	
Street Lighting (596-418)	61,967		113,234		49,835	
Signal System (596-419)	26,991		30,979		35,956	
Meters (597)	19,634		18,629		14,408	
Miscellaneous Distribution Plant (598)	20,333		20,768		27,136	
Vacation, Holiday, Sick Leave (599)	249,236		253,375		239,751	
Depreciation (578)	1,349,029		1,347,849		1,310,037	
Tax on Rural Property (579)	13,556		13,612		13,510	
	<u>\$3,796,576</u>	5.5	<u>\$3,700,374</u>	6.0	<u>\$3,587,485</u>	5.7

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - August 2016**

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense (909)	\$3,256		\$14,864		\$2,476	
Energy Efficiency Rebates (910)	18,342		15,464		11,141	
Electric Ranges/Dryers Maintenance (911)	435		80		273	
Electric Water Heaters Maintenance (912)	155		63		---	
	<u>22,188</u>	0.2	<u>30,471</u>	0.3	<u>13,890</u>	0.2
<b><u>Consumer Accounts</u></b>						
Supervision (901)	3,238		3,684		3,504	
Meter Reading Expense (902)	9,169		9,442		8,220	
Consumer Records and Collection (903)	39,721		40,849		36,076	
Uncollectible Accounts Expense (904)	4,769		4,769		4,565	
Vacation, Holiday, Sick Leave (906)	4,105		4,980		2,709	
	<u>61,002</u>	0.6	<u>63,724</u>	0.6	<u>55,074</u>	0.7
<b><u>Administrative and General</u></b>						
Administrative and General Salaries (920)	186,041		198,453		174,101	
Office Supplies and Expenses (921)	16,363		13,714		17,466	
Outside Services Employed (923)	31,387		15,473		18,750	
Property Insurance (924)	61,821		53,778		58,782	
Casualty Ins, Injuries & Damages (925)	40,521		57,340		26,994	
Employee Pensions and Benefits (926)	523,562		513,388		403,985	
Fringe Benefits Charged to Constr. (927)	(26,163)		(24,569)		(30,798)	
Regulatory Commission (928)	6,408		9,167		7,345	
Miscellaneous General Expense (930)	51,189		43,112		32,048	
Maintenance of General Plant (932)	37,300		21,863		21,886	
Maintenance of A/O Center (934)	34,092		39,453		61,543	
Vacation, Holiday, Sick Leave (936)	23,851		18,789		20,925	
Depreciation (933)	40,203		201		133,349	
	<u>1,026,575</u>	10.0	<u>960,162</u>	9.2	<u>946,376</u>	11.2
Total Operating Expense	<u>\$9,493,791</u>		<u>\$9,184,490</u>		<u>\$7,965,410</u>	
Percent to Operating Revenue		92.6		88.4		94.2

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - August 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense (909)	\$52,104		\$67,520		\$55,199	
Energy Efficiency Rebates (910)	150,231		62,665		101,813	
Electric Ranges/Dryers Maintenance (911)	3,576		1,297		1,820	
Electric Water Heaters Maintenance (912)	<u>1,279</u>		<u>486</u>		<u>658</u>	
Total Customer Service Expense	<u>\$207,190</u>	0.3	<u>\$131,968</u>	0.2	<u>\$159,490</u>	0.3
<b><u>Consumer Accounts</u></b>						
Supervision (901)	25,337		26,233		25,704	
Meter Reading Expense (902)	72,933		71,660		74,504	
Consumer Records and Collection (903)	314,959		296,861		277,604	
Uncollectible Accounts Expense (904)	38,150		38,152		36,517	
Vacation, Holiday, Sick Leave (906)	<u>40,077</u>		<u>41,276</u>		<u>34,523</u>	
Total Consumer Accounts Expense	<u>491,456</u>	0.7	<u>474,182</u>	0.8	<u>448,852</u>	0.7
<b><u>Administrative and General</u></b>						
Administrative and General Salaries (920)	1,455,593		1,418,406		1,337,877	
Office Supplies and Expenses (921)	133,544		100,835		139,938	
Outside Services Employed (923)	363,364		236,697		320,037	
Property Insurance (924)	484,897		445,236		472,320	
Casualty Ins, Injuries & Damages (925)	328,116		702,680		418,256	
Employee Pensions and Benefits (926)	4,246,406		4,213,608		3,999,688	
Fringe Benefits Charged to Constr. (927)	(201,007)		(190,999)		(189,599)	
Regulatory Commission (928)	51,267		60,259		58,362	
Miscellaneous General Expense (930)	410,268		316,633		338,121	
Maintenance of General Plant (932)	356,083		217,053		232,525	
Maintenance of A/O Center (934)	279,491		292,502		295,769	
Vacation, Holiday, Sick Leave (936)	229,321		229,845		226,906	
Depreciation (933)	<u>321,627</u>		<u>1,606</u>		<u>1,066,791</u>	
Total Administrative and General	<u>8,458,970</u>	12.2	<u>8,044,361</u>	13.0	<u>8,716,991</u>	13.9
Total Operating Expense	<u>\$70,623,826</u>		<u>\$59,882,906</u>		<u>\$63,388,865</u>	
Percent to Operating Revenue		101.5		97.1		101.0

**Muscatine Power and Water - Electric Utility  
Statistical Data  
August 2016**

**Total Fuel Cost**

(To & Including Ash Handling, Gas & Oil)

	<b><u>Current Month</u></b>	
	<b><u>2016</u></b>	<b><u>2015</u></b>
Per Million Btu.	\$1.795	\$1.831
Per Net MW Generated	\$20.29	\$20.57
Net Peak Monthly Demand-KW	131,950	134,650
Date of Peak	8/18	8/31
Hour of Peak	1700	1500

	<b><u>Calendar Year-To-Date</u></b>	
	<b><u>2016</u></b>	<b><u>2015</u></b>
Per Million Btu.	\$1.830	\$1.890
Per Net MW Generated	\$20.15	\$21.02
Net Peak Monthly Demand-KW	134,700	134,650
Date of Peak	7/21	8/31
Hour of Peak	1600	1500
Average Temperature	73.6°	69.9°

	<b><u>2016</u></b>	<b><u>2015</u></b>
<b><u>Services</u></b>		
Residential	9,843	9,788
Commercial I	1,364	1,365
Commercial II	116	118
Industrial I	11	9
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	35	35
Total	<u>11,393</u>	<u>11,339</u>

**Muscatine Power and Water - Electric Utility**  
**Wholesale Sales Analysis**  
**Current Month - August 2016**

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
<b>Wholesale kWh Sales</b>	<u>108,181,543</u>		<u>101,043,094</u>		<u>87,359,359</u>	
<b>Wholesale Sales</b>	<u>\$3,775,536</u>	<u>\$0.03490</u>	<u>\$4,068,011</u>	<u>\$0.04026</u>	<u>\$2,449,811</u>	<u>\$0.02804</u>
<b>Variable Costs</b>						
Fuel (Coal, Gas & Fuel Oil)	2,146,616	0.01984	1,973,582	0.01953	1,694,226	0.01939
Emissions:						
SO <sup>2</sup> Allowances-ARP <sup>fn1</sup>	239	0.00000	58	0.00000	59	0.00000
SO <sup>2</sup> Allowances-CASPR <sup>fn2</sup>	---	---	144	0.00000	671	0.00001
SO <sup>2</sup> Allowances-CAIR <sup>fn3</sup>	658	---	---	---	---	---
NO <sub>x</sub> Allowances <sup>fn4</sup>	72,066	0.00067	46,418	0.00046	65,068	0.00074
Other <sup>fn5</sup>	<u>206,112</u>	<u>0.00191</u>	<u>193,885</u>	<u>0.00192</u>	<u>185,110</u>	<u>0.00212</u>
Total Variable Costs	<u>2,425,691</u>	<u>0.02242</u>	<u>2,214,087</u>	<u>0.02191</u>	<u>1,945,134</u>	<u>0.02227</u>
<b>Gross Margin</b>	<u>\$1,349,845</u>	<u>\$0.01248</u>	<u>\$1,853,924</u>	<u>\$0.01835</u>	<u>\$504,677</u>	<u>\$0.00578</u>
Percent Gross Margin	35.8%		45.6%		20.6%	

**Calendar Year To Date**

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
<b>Wholesale kWh Sales</b>	<u>708,895,738</u>		<u>571,834,659</u>		<u>665,727,458</u>	
<b>Wholesale Sales</b>	<u>\$24,021,657</u>	<u>\$0.03389</u>	<u>\$17,548,887</u>	<u>\$0.03069</u>	<u>\$19,286,451</u>	<u>\$0.02897</u>
<b>Variable Costs</b>						
Fuel (Coal, Gas & Fuel Oil)	11,916,459	0.01681	10,947,461	0.01914	13,381,958	0.02010
Emissions:						
SO <sup>2</sup> Allowances-ARP <sup>fn1</sup>	1,345	0.00000	232	0.00000	240	---
SO <sup>2</sup> Allowances-CASPR <sup>fn2</sup>	---	---	577	0.00000	14,943	---
SO <sup>2</sup> Allowances-CAIR <sup>fn3</sup>	3,699	---	---	---	---	---
NO <sub>x</sub> Allowances <sup>fn4</sup>	230,017	0.00032	173,665	0.00030	223,995	0.00034
Other <sup>fn3</sup>	<u>1,442,784</u>	<u>0.00204</u>	<u>1,543,810</u>	<u>0.00270</u>	<u>1,522,865</u>	<u>0.00229</u>
Total Variable Costs	<u>13,594,304</u>	<u>0.01918</u>	<u>12,665,745</u>	<u>0.02215</u>	<u>15,144,001</u>	<u>0.02275</u>
<b>Gross Margin</b>	<u>\$10,427,353</u>	<u>\$0.01471</u>	<u>\$4,883,142</u>	<u>\$0.00854</u>	<u>\$4,142,450</u>	<u>\$0.00622</u>
Percent Gross Margin	43.4%		27.8%		21.5%	

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

	Budget	2016	2015
<b>fn1</b> SO <sup>2</sup> ARP	\$2.00	\$0.80	\$0.75
YTD SO <sup>2</sup> ARP	2.00	0.80	0.79
<b>fn2</b> SO <sup>2</sup> CASPR	0.00	2.00	8.50
YTD SO <sup>2</sup> CASPR	0.00	2.00	49.00
<b>fn3</b> SO <sup>2</sup> CAIR	0.00	0.00	0.00
YTD SO <sup>2</sup> CAIR	0.00	0.00	0.00
<b>fn4</b> NO <sub>x</sub> annual	160.00	8.50	172.50
NO <sub>x</sub> seasonal	288.00	300.00	285.00
YTD NO <sub>x</sub> annual	160.00	37.84	157.09
YTD NO <sub>x</sub> seasonal	288.00	251.91	239.06

**fn5** Other includes variable generation O&M, rail car cost, and Title V permit fees. Costs included have been amortized evenly over the year.