

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

October 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 - October 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	31,662,929	1.4X	75,897,246	2.8X	20,060,865
Less: Plant Use	<u>4,410,060</u>	73.8	<u>7,663,507</u>	1.6X	<u>2,892,269</u>
Net Generation/Wholesale Sales	<u>27,252,869</u>	1.5X	<u>68,233,739</u>	3.0X	<u>17,168,596</u>
<u>Net Capacity Factors</u>					
Unit 9	15.00	1.1X	31.82	10.2X	2.85
Unit 8/8A	27.31	1.2X	60.68	50.7	40.27
Unit 7	---	---	54.92	16.2X	3.19
Total Plant	15.87	1.5X	39.76	3.0X	10.02
<u>KWH Distribution</u>					
Residential	7,547,320	(3.3)	7,297,140	12.6	6,481,852
Commercial I	3,003,900	(2.8)	2,920,743	8.3	2,695,761
Commercial II	8,602,775	(3.7)	8,285,380	7.8	7,686,740
Industrial I	9,816,215	5.9	10,391,180	6.5	9,754,600
Industrial II	39,275,955	1.7	39,951,358	3.3	38,658,224
City Enterprise Funds	439,107	(16.1)	368,256	15.4	319,060
Water & Communications Utilities	<u>1,345,832</u>	5.4	<u>1,418,156</u>	13.7	<u>1,247,665</u>
Native System Sales	70,031,104	0.9	70,632,213	5.7	66,843,902
City Lighting	164,846	(1.3)	162,726	(1.7)	165,501
City Buildings	444,424	8.3	481,157	6.2	452,975
Offline Power Plant Usage	---	---	628,606	(53.2)	1,342,950
Losses & Cycle Billing	<u>1,900,329</u>	3.2	<u>1,962,037</u>	(38.7)	<u>3,203,268</u>
Total Native System KWH Distributed/Purchased Power	<u>72,540,703</u>	1.8	<u>73,866,739</u>	2.6	<u>72,008,596</u>
 <u>STEAM SALES - 1000 lbs</u>					
	<u>254,188</u>	7.1	<u>272,199</u>	16.4	<u>233,802</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - October 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	684,130,219	42.0	971,365,569	65.2	587,935,963
Less: Plant Use	<u>71,034,442</u>	39.7	<u>99,215,071</u>	35.5	<u>73,203,454</u>
Net Generation/Wholesale Sales	<u>613,095,777</u>	42.3	<u>872,150,498</u>	69.4	<u>514,732,509</u>
<u>Net Capacity Factors</u>					
Unit 9	37.65	52.3	57.33	79.9	31.86
Unit 8/8A	36.76	31.1	48.19	33.7	36.04
Unit 7	26.61	(18.2)	21.76	88.2	11.56
Total Plant	36.40	42.4	51.82	69.7	30.54
<u>KWH Distribution</u>					
Residential	91,537,810	(2.3)	89,463,623	(1.0)	90,347,165
Commercial I	33,037,830	0.4	33,162,939	2.0	32,512,562
Commercial II	88,732,660	(5.2)	84,115,491	(0.3)	84,409,573
Industrial I	100,831,410	3.0	103,819,460	4.9	98,938,040
Industrial II	377,260,350	(2.4)	368,057,806	(1.5)	373,792,527
City Enterprise Funds	4,571,723	(12.5)	4,002,163	16.5	3,433,902
Water & Communications Utilities	<u>13,475,910</u>	(1.2)	<u>13,307,967</u>	6.4	<u>12,502,552</u>
Native System Sales	709,447,693	(1.9)	695,929,449	(0.0)	695,936,321
City Lighting	1,706,414	(1.5)	1,680,766	0.2	1,677,062
City Buildings	5,300,131	10.5	5,855,845	7.6	5,439,892
Offline Power Plant Usage	1,479,690	96.8	2,911,527	(49.1)	5,724,496
Losses & Cycle Billing	<u>21,466,606</u>	(7.7)	<u>19,807,641</u>	5.2	<u>18,831,065</u>
Total Native System KWH Distributed/Purchased Power	<u>739,400,534</u>	(1.8)	<u>726,185,228</u>	(0.2)	<u>727,608,836</u>
 <u>STEAM SALES - 1000 lbs</u>					
	<u>2,263,222</u>	(1.2)	<u>2,235,377</u>	0.5	<u>2,224,734</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - October 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	\$690,766	0.09152	\$724,762	0.09932	\$620,140	0.09567
Commercial I	255,952	0.08521	257,571	0.08819	222,906	0.08269
Commercial II	537,129	0.06244	548,804	0.06624	471,842	0.06138
Industrial I	544,293	0.05545	566,746	0.05454	513,378	0.05263
Industrial II	1,894,491	0.04824	1,857,058	0.04648	1,797,823	0.04651
City Enterprise Funds	25,460	0.05798	23,707	0.06438	20,599	0.06456
Water & Communication Utilities	68,850	0.05116	78,863	0.05561	64,894	0.05201
Native System Sales	4,016,941	0.05736	4,057,511	0.05745	3,711,582	0.05553
Wholesale Sales	640,442	0.02350	2,653,362	0.03889	437,461	0.02548
Energy Sales	4,657,383		6,710,873		4,149,043	
<u>Steam Sales</u>	941,946	3.71	980,073	3.60	833,256	3.56
<u>Other Revenue</u>						
Rail Car Lease	---		22,757		---	
By-Product Revenue	6,705		136,780		24,677	
Miscellaneous Revenue	45,152		46,092		48,954	
Total Other Revenue	51,857		205,629		73,631	
Operating Revenue	5,651,186		7,896,575		5,055,930	
<u>Operating Expense</u>						
Purchased Power	1,559,625	0.02150	2,494,300	0.03377	1,498,878	0.02082
Production Fuel	1,184,062		2,112,796		898,861	
Emissions Allowance	5,261		(31,823)		4,776	
Operation	1,825,437		1,833,178		1,649,520	
Maintenance	932,745		1,677,403		824,202	
Depreciation	944,954		937,001		929,362	
Total Operating Expense	6,452,084		9,022,855		5,805,599	
Operating Loss	(800,898)		(1,126,280)		(749,669)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	112,295		107,949		106,444	
Interest Expense	(450)		(187)		(241)	
Total Nonoperating Revenue (Expense)	111,845		107,762		106,203	
Net Loss Before Revenue Adjustment	(689,053)		(1,018,518)		(643,466)	
Capital Contributions	---		500		---	
Change in Net Position	(689,053)		(1,018,018)		(643,466)	
Beginning Net Position	159,563,752		163,526,597		164,816,900	
Ending Net Position	\$158,874,699		\$162,508,579		\$164,173,434	
Net Loss Before Rev Adj to Op Revenue	(12.2)		(12.9)		(12.7)	
Change in Net Position to Operating Revenue	(12.2)		(12.9)		(12.7)	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - October 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	\$7,910,295	0.08642	\$8,276,268	0.09251	\$7,694,061	0.08516
Commercial I	2,726,712	0.08253	2,766,705	0.08343	2,615,790	0.08045
Commercial II	5,425,529	0.06114	5,218,033	0.06203	5,041,219	0.05972
Industrial I	5,510,289	0.05465	5,556,157	0.05352	5,132,239	0.05187
Industrial II	17,945,429	0.04757	17,394,284	0.04726	17,067,855	0.04566
City Enterprise Funds	265,619	0.05810	246,738	0.06165	211,163	0.06149
Water & Communications Utilities	<u>675,763</u>	<u>0.05015</u>	<u>697,773</u>	<u>0.05243</u>	<u>624,313</u>	<u>0.04993</u>
Native System Sales	40,459,636	0.05703	40,155,958	0.05770	38,386,640	0.05516
Wholesale Sales	<u>18,551,807</u>	<u>0.03026</u>	<u>27,893,684</u>	<u>0.03198</u>	<u>14,793,984</u>	<u>0.02874</u>
Energy Sales	<u>59,011,443</u>		<u>68,049,642</u>		<u>53,180,624</u>	
<u>Steam Sales</u>	<u>8,341,288</u>	3.69	<u>8,169,372</u>	3.65	<u>8,046,405</u>	3.62
<u>Other Revenue</u>						
Rail Car Lease	218,000		215,122		596,945	
By-Product Revenue	312,338		303,236		494,612	
Miscellaneous Revenue	<u>480,559</u>		<u>508,892</u>		<u>510,636</u>	
Total Other Revenue	<u>1,010,897</u>		<u>1,027,250</u>		<u>1,602,193</u>	
Operating Revenue	<u>68,363,628</u>		<u>77,246,264</u>		<u>62,829,222</u>	
<u>Operating Expense</u>						
Purchased Power	18,267,866	0.02471	20,518,614	0.02826	15,955,003	0.02193
Production Fuel	17,773,984		22,786,410		15,669,399	
Emissions Allowance	57,166		71,011		60,706	
Operation	18,881,324		17,716,266		17,502,493	
Maintenance	10,020,643		9,267,975		7,611,446	
Depreciation	<u>9,449,538</u>		<u>9,370,010</u>		<u>9,293,620</u>	
Total Operating Expense	<u>74,450,521</u>		<u>79,730,286</u>		<u>66,092,667</u>	
Operating Loss	<u>(6,086,893)</u>		<u>(2,484,022)</u>		<u>(3,263,445)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	1,112,142		1,078,041		1,049,082	
Interest Expense	<u>(4,500)</u>		<u>(1,525)</u>		<u>(1,406)</u>	
Total Nonoperating Revenue (Expense)	<u>1,107,642</u>		<u>1,076,516</u>		<u>1,047,676</u>	
Net Loss Before Revenue Adjustment and Capital Contributions	<u>(4,979,251)</u>		<u>(1,407,506)</u>		<u>(2,215,769)</u>	
Capital Contributions	---		62,135		11,943	
Revenue Adjustment-Extraordinary O&M	<u>---</u>		<u>---</u>		<u>4,000,000</u>	
Change in Net Position	<u>(4,979,251)</u>		<u>(1,345,371)</u>		<u>1,796,174</u>	
Beginning Net Position	<u>163,853,950</u>		<u>163,853,950</u>		<u>162,377,260</u>	
Ending Net Position	<u>\$158,874,699</u>		<u>\$162,508,579</u>		<u>\$164,173,434</u>	
Net Loss Before Rev Adj to Op Revenue	(7.3)		(1.8)		(3.5)	
Change in Net Position to Operating Revenue	(7.3)		(1.7)		2.9	

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

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$1,031,242	\$6,032,610
Investments	5,000,840	---
	<u>6,032,082</u>	<u>6,032,610</u>
<u>Unrestricted</u>		
Cash - interest bearing	8,767,098	9,343,122
Investments	14,000,000	---
Receivables:		
Consumer Accounts	5,190,363	4,863,725
Wholesale	782,127	2,526
Steam Sales	1,023,534	1,104,878
Interest	439,379	415,749
Intercompanies	---	26,165
Inventories	6,443,317	6,599,292
Fuel	5,027,060	14,454,156
Prepaid Expenses	657,776	581,400
	<u>42,330,654</u>	<u>37,391,013</u>
Total Unrestricted Current Assets	<u>42,330,654</u>	<u>37,391,013</u>
Total Current Assets	<u>48,362,736</u>	<u>43,423,623</u>
Property and Equipment:		
At Cost	412,588,463	409,678,866
Less Accumulated Depreciation	320,491,373	310,422,372
	<u>92,097,090</u>	<u>99,256,494</u>
Net Property and Equipment	<u>92,097,090</u>	<u>99,256,494</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	400,000	---
Joint Venture Rights	116,289	125,504
	<u>35,843,289</u>	<u>35,452,504</u>
Total Other Assets	<u>35,843,289</u>	<u>35,452,504</u>
TOTAL ASSETS	<u><u>\$176,303,115</u></u>	<u><u>\$178,132,621</u></u>

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

LIABILITIES AND NET POSITION

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$2,566,340	\$2,381,128
Pension Provision	66,078	369,423
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	236,974	172,423
Accrued Vacation	1,124,088	1,038,715
Accrued Emission Allowance Expense	56,277	342,513
Consumers' Deposits	591,433	584,028
Retained Percentage on Contracts	35,917	10,000
Accrued Property Taxes	80,910	90,639
Miscellaneous Accrued Expenses	699,673	729,168
Miscellaneous Deferred Credits	3,799	13,850
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	5,635,315	5,928,420
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,671,265	1,658,190
Post-Employment Health Benefit Provision	274,720	159,341
Consumer Advances for Construction	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	2,126,355	1,997,901
	<hr/>	<hr/>
Deferred Revenue - Extraordinary O & M	6,032,866	6,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	92,097,090	99,256,494
Restricted	6,032,082	6,032,610
Unrestricted	64,379,407	58,884,330
	<hr/>	<hr/>
Total Net Position	162,508,579	164,173,434
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$176,303,115</u></u>	<u><u>\$178,132,621</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,526,382	\$39,768,821
MISO sales	532,828	26,037,611
Steam sales	831,381	8,017,073
Coal & transportation allowances	—	3,925
Railcar leasing	19,790	269,258
By-product sales	78,724	169,427
Miscellaneous sources	48,233	511,964
Cash paid to/for:		
Suppliers	(828,975)	(7,488,448)
MISO purchases/administration fees	(1,641,026)	(20,184,537)
Coal	(2,034,123)	(13,384,659)
Employees payroll, taxes and benefits	(3,043,241)	(18,986,788)
Net cash flows from operating activities	<u>(1,510,027)</u>	<u>14,733,647</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(397,853)</u>	<u>(3,679,351)</u>
Net cash flows from capital and related financing activities	<u>(397,853)</u>	<u>(3,679,351)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(26,955)	(92,470)
Interest received on investments and note receivable	1,631	863,182
Accrued interest purchased	—	(1,540)
Amortization/accretion of investments	(143)	776
Mark to Market	(657)	(38)
Net cash flows from investing activities	<u>(26,124)</u>	<u>769,910</u>
Net increase (decrease) in cash and investments	<u>(1,934,004)</u>	<u>11,824,206</u>
Cash and investments at beginning of period	<u>30,733,184</u>	<u>16,974,974</u>
Cash and investments at end of period	<u><u>\$28,799,180</u></u>	<u><u>\$28,799,180</u></u>

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

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$1,126,280)	(\$2,484,022)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	9,370,010
Amortization of joint venture rights	8,657	86,739
Changes in assets and liabilities:		
Consumer accounts receivable	426,858	(419,753)
Wholesale receivable	(346,148)	(687,548)
Steam sales receivable	(140,299)	(89,003)
Intercompany receivable	---	17,211
Inventories	(159,529)	122,997
Fuel	(206,038)	7,761,100
Prepaid expenses	155,662	(181,229)
Accounts payable	(83,191)	1,241,352
Pension provision	(308,895)	66,078
Health & dental insurance provision	(10,428)	21,530
Other post-employment benefit provision	23,506	105,956
Accrued payroll	(596,410)	(154,812)
Accrued vacation	(5,532)	12,244
Accrued emission allowance expense	(46,556)	(9,748)
Consumers' deposits	10,974	16,517
Retained percentage	0	35,917
Accrued property taxes	(260)	(25,409)
Miscellaneous accrued expenses	(42,371)	(62,429)
Miscellaneous deferred credits	(748)	(10,051)
Net cash flows from operating activities	<u>(\$1,510,027)</u>	<u>\$14,733,647</u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,082</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$6,032,082</u></u>	<u><u>\$6,032,610</u></u>

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$1,559,625</u>	27.6	<u>\$2,494,300</u>	31.6	<u>\$1,498,878</u>	29.6
Average price per kWh	\$0.0215		\$0.0338		\$0.0208	
<u>Generation</u>						
Operation Supervision	79,734		85,175		78,436	
Fuel:						
Coal	1,067,863		1,961,680		776,584	
Fuel Oil	20,529		72,408		44,582	
Gas	15,000		9,105		9,371	
Coal Handling Expense	69,777		63,386		54,603	
Landfill Operation Expense	10,893		6,217		13,721	
Emissions Allowance Expense	5,261		(31,823)		4,776	
Steam Expense:						
Boiler	108,740		91,024		70,522	
Pollution Control	45,443		22,017		16,742	
Electric Expense	107,950		92,400		79,858	
Miscellaneous Steam Power Expense	176,226		170,586		156,838	
Maintenance:						
Supervision	79,109		87,441		85,020	
Structures	56,394		81,924		65,431	
Boiler Plant:						
Boiler	311,463		658,671		205,096	
Pollution Control	56,413		140,111		57,375	
Electric Plant	50,771		238,271		76,677	
System Control	25,498		16,844		25,424	
Miscellaneous Steam Plant	66,055		58,039		97,617	
Coal Handling Equipment	86,055		234,624		(20,554)	
System Control and Load Dispatch	23,285		28,609		15,881	
Vacation, Holiday, Sick Leave	72,231		79,243		74,138	
Depreciation	<u>624,688</u>		<u>622,373</u>		<u>622,359</u>	
Total Generation Expense	<u>\$3,159,378</u>	55.9	<u>\$4,788,325</u>	60.6	<u>\$2,610,497</u>	51.6

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

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	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$18,267,866</u>	26.7	<u>\$20,518,614</u>	26.6	<u>\$15,955,003</u>	25.4
Average price per kWh	\$0.0247		\$0.0283		\$0.0219	
<u>Generation</u>						
Operation Supervision	781,775		794,438		753,328	
Fuel:						
Coal	16,647,138		21,819,797		14,718,925	
Fuel Oil	187,640		156,963		176,263	
Gas	170,000		117,975		119,819	
Coal Handling Expense	686,482		642,349		595,143	
Landfill Operation Expense	82,724		49,326		59,249	
Emissions Allowance Expense	57,166		71,011		60,706	
Steam Expense:						
Boiler	1,142,176		965,324		950,072	
Pollution Control	512,304		370,907		341,795	
Electric Expense	985,632		921,369		930,923	
Miscellaneous Steam Power Expense	1,803,604		1,690,402		1,643,233	
Maintenance:						
Supervision	807,478		814,103		788,747	
Structures	697,197		600,464		530,246	
Boiler Plant:						
Boiler	3,070,476		2,625,131		1,921,913	
Pollution Control	505,921		715,128		723,086	
Electric Plant	1,002,307		930,737		417,328	
System Control	222,606		174,656		166,642	
Miscellaneous Steam Plant	747,122		697,346		655,150	
Coal Handling Equipment	1,042,588		884,095		767,055	
System Control and Load Dispatch	241,747		271,255		290,772	
Vacation, Holiday, Sick Leave	855,982		918,036		917,042	
Depreciation	<u>6,246,880</u>		<u>6,223,730</u>		<u>6,223,590</u>	
Total Generation Expense	<u>\$38,496,945</u>	56.3	<u>\$42,454,542</u>	55.0	<u>\$33,751,027</u>	53.7

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$3,747		\$4,825		\$4,343	
Load Dispatching	43,693		58,337		65,145	
Station Expense	6,967		10,474		10,583	
Overhead Line Expense	125		273		133	
Transmission of Electricity by Others	10,934		13,085		2,631	
Miscellaneous Transmission Expense	10,439		4,626		5,416	
Maintenance:						
Supervision	1,885		2,212		2,087	
Structures	227		---		---	
Station Equipment	3,221		4,802		5,868	
Overhead Lines	10,807		6,092		29	
Vacation, Holiday, Sick Leave	5,035		6,424		4,029	
Depreciation	30,745		30,625		30,625	
Tax on Rural Property	5,682		1,825		5,627	
Total Transmission Expense	<u>133,507</u>	2.4	<u>143,600</u>	1.8	<u>136,516</u>	2.7
<u>Distribution</u>						
Operation Supervision	10,454		13,089		12,273	
Load Dispatching	36,354		32,757		26,495	
Station Expense	5,196		9,209		5,292	
Overhead Line Expense	3,051		3,294		722	
Vehicle Expense	15,644		12,737		16,809	
Underground Line Expense	3,520		6,434		4,271	
Street Lighting	1,667		3,735		(11,864)	
Signal Expense	548		3,139		227	
Meter Expense	7,875		6,276		11,784	
Consumer Installation Expense	593		352		1,755	
Miscellaneous Distribution Expense	51,205		58,955		52,627	
Maintenance:						
Supervision	9,493		11,757		11,100	
Structures	391		---		---	
Station Equipment	7,381		9,051		6,491	
Overhead Lines	84,538		33,449		62,014	
Underground Lines	9,021		10,934		5,289	
Line Transformers	3,097		1,923		1,821	
Street Lighting	5,062		12,716		1,252	
Signal System	1,239		4,553		10,557	
Meters	2,463		1,521		2,911	
Miscellaneous Distribution Plant	2,278		2,390		1,950	
Vacation, Holiday, Sick Leave	21,723		22,757		21,077	
Depreciation	156,137		155,502		152,158	
Tax on Rural Property	1,697		545		1,681	
Total Distribution Expense	<u>\$440,627</u>	7.8	<u>\$417,075</u>	5.3	<u>\$398,692</u>	7.9

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$36,889		\$40,847		\$37,357	
Load Dispatching	452,094		531,212		497,665	
Station Expense	80,194		75,307		75,203	
Overhead Line Expense	766		2,912		2,750	
Transmission of Electricity by Others	109,332		131,237		26,687	
Miscellaneous Transmission Expense	106,886		54,240		60,838	
Maintenance:						
Supervision	18,656		19,206		16,865	
Structures	10,678		---		---	
Station Equipment	74,938		58,089		42,635	
Overhead Lines	103,522		107,894		98,515	
Vacation, Holiday, Sick Leave	61,132		68,671		48,374	
Depreciation	307,448		306,250		306,250	
Tax on Rural Property	56,820		53,455		55,685	
Total Transmission Expense	<u>1,419,355</u>	2.1	<u>1,449,320</u>	1.9	<u>1,268,824</u>	2.0
<u>Distribution</u>						
Operation Supervision	104,138		114,170		100,097	
Load Dispatching	354,329		288,878		283,265	
Station Expense	71,956		65,037		67,566	
Overhead Line Expense	46,684		19,313		18,743	
Vehicle Expense	156,455		167,788		138,752	
Underground Line Expense	33,412		32,456		31,655	
Street Lighting	17,197		23,171		12,354	
Signal Expense	9,193		4,683		2,511	
Meter Expense	77,807		81,954		96,410	
Consumer Installation Expense	6,117		6,101		14,333	
Miscellaneous Distribution Expense	518,564		510,402		530,364	
Maintenance:						
Supervision	95,016		103,105		89,858	
Structures	9,992		---		---	
Station Equipment	91,622		110,921		66,980	
Overhead Lines	561,882		575,893		496,415	
Underground Lines	90,145		77,392		77,412	
Line Transformers	49,532		52,889		53,451	
Street Lighting	51,856		68,628		27,755	
Signal System	26,521		24,673		46,306	
Meters	25,290		22,526		6,605	
Miscellaneous Distribution Plant	22,780		24,215		20,393	
Vacation, Holiday, Sick Leave	267,694		281,269		247,755	
Depreciation	1,561,374		1,555,020		1,521,580	
Tax on Rural Property	16,970		15,956		16,638	
Total Distribution Expense	<u>\$4,266,526</u>	6.2	<u>\$4,226,440</u>	5.5	<u>\$3,967,198</u>	6.3

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$14,740		\$4,519		\$3,116	
Energy Efficiency Rebates	19,891		3,639		8,324	
Electric Ranges/Dryers Maintenance	450		359		345	
Electric Water Heaters Maintenance	179		50		57	
Total Customer Service Expense	<u>35,260</u>	0.6	<u>8,567</u>	0.1	<u>11,842</u>	0.2
<u>Consumer Accounts</u>						
Supervision	2,758		2,365		1,747	
Meter Reading Expense	8,245		7,115		8,044	
Consumer Records and Collection	31,399		30,748		33,528	
Uncollectible Accounts Expense	3,297		3,297		2,403	
Vacation, Holiday, Sick Leave	3,312		3,727		3,068	
Total Consumer Accounts Expense	<u>49,011</u>	0.9	<u>47,252</u>	0.6	<u>48,790</u>	1.0
<u>Administrative and General</u>						
Administrative and General Salaries	167,950		194,535		195,038	
Office Supplies and Expenses	19,171		17,372		16,815	
Outside Services Employed	49,075		21,076		11,434	
Property Insurance	55,708		55,169		46,620	
Casualty Ins, Injuries & Damages	36,613		20,046		53,030	
Employee Pensions and Benefits	517,495		590,212		501,675	
Fringe Benefits Charged to Constr.	(22,463)		(28,103)		(26,263)	
Regulatory Commission	8,567		7,299		4,400	
Miscellaneous General Expense	28,864		35,292		34,391	
Maintenance of General Plant	29,310		26,719		22,392	
Maintenance of A/O Center	30,574		33,359		98,355	
Vacation, Holiday, Sick Leave	20,428		22,259		18,277	
Depreciation	133,384		128,501		124,220	
Total Administrative and General	<u>1,074,676</u>	19.0	<u>1,123,736</u>	14.2	<u>1,100,384</u>	21.8
Total Operating Expense	<u>\$6,452,084</u>		<u>\$9,022,855</u>		<u>\$5,805,599</u>	
Percent to Operating Revenue		114.2		114.3		114.8

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$148,580		\$71,935		\$90,370	
Energy Efficiency Rebates	203,919		109,293		148,168	
Electric Ranges/Dryers Maintenance	4,887		5,122		4,498	
Electric Water Heaters Maintenance	1,693		780		817	
	<u> </u>		<u> </u>		<u> </u>	
Total Customer Service Expense	<u>\$359,079</u>	0.5	<u>\$187,130</u>	0.2	<u>\$243,853</u>	0.4
<u>Consumer Accounts</u>						
Supervision	27,033		30,007		20,748	
Meter Reading Expense	83,606		84,011		85,319	
Consumer Records and Collection	316,314		332,926		298,859	
Uncollectible Accounts Expense	32,966		32,970		24,025	
Vacation, Holiday, Sick Leave	40,887		43,428		43,371	
	<u> </u>		<u> </u>		<u> </u>	
Total Consumer Accounts Expense	<u>500,806</u>	0.7	<u>523,342</u>	0.7	<u>472,322</u>	0.8
<u>Administrative and General</u>						
Administrative and General Salaries	1,627,567		1,762,287		1,648,705	
Office Supplies and Expenses	215,659		155,913		162,869	
Outside Services Employed	693,901		373,137		565,319	
Property Insurance	529,091		526,044		442,769	
Casualty Ins, Injuries & Damages	366,135		283,922		450,068	
Employee Pensions and Benefits	5,222,479		4,974,081		4,910,640	
Fringe Benefits Charged to Constr.	(244,838)		(206,261)		(205,486)	
Regulatory Commission	85,667		53,876		53,971	
Miscellaneous General Expense	369,197		314,001		317,318	
Maintenance of General Plant	301,675		251,939		227,083	
Maintenance of A/O Center	390,843		328,945		371,006	
Vacation, Holiday, Sick Leave	248,732		268,004		247,978	
Depreciation	1,333,836		1,285,010		1,242,200	
	<u> </u>		<u> </u>		<u> </u>	
Total Administrative and General	<u>11,139,944</u>	16.3	<u>10,370,898</u>	13.4	<u>10,434,440</u>	16.6
Total Operating Expense	<u>\$74,450,521</u>		<u>\$79,730,286</u>		<u>\$66,092,667</u>	
Percent to Operating Revenue		108.9		103.2		105.2

Muscatine Power and Water - Electric Utility
Statistical Data
October 2013

Total Fuel Cost

(To & Including Ash Handling, Gas & Oil)

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.920	\$2.010
Per Net MW Generated	\$22.23	\$23.46
Net Peak Monthly Demand-KW	118,150	110,780
Date of Peak	10/2	10/22
Hour of Peak	1600	10/31

	<u>Calendar Year-To-Date</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.832	\$1.866
Per Net MW Generated	\$20.55	\$21.05
Net Peak Monthly Demand-KW	138,170	138,450
Date of Peak	9/9	7/5
Hour of Peak	1700	1500

Average Temperature	51.6°	49.5°
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<u>Services</u>	<u>2013</u>	<u>2012</u>
Residential	9,714	9,733
Commercial I	1,363	1,386
Commercial II	116	113
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,260</u>	<u>11,300</u>

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

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
<u>Wholesale kWh Sales</u>	<u>27,252,869</u>		<u>68,233,739</u>		<u>17,168,596</u>	
<u>Wholesale Sales</u>	<u>\$640,442</u>	<u>\$0.02350</u>	<u>\$2,653,362</u>	<u>\$0.03889</u>	<u>\$437,461</u>	<u>\$0.02548</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	506,739	0.01859	1,434,546	0.02102	327,162	0.01906
Emissions:						
SO ² Allowances ^{fn1}	177	0.00001	56	0.00000	35	0.00000
NO _x Allowances ^{fn2}	3,096	0.00011	5,718	0.00008	2,034	0.00012
Other ^{fn3}	191,059	0.00701	187,258	0.00274	192,761	0.01123
Total Variable Costs	<u>701,071</u>	<u>0.02572</u>	<u>1,627,578</u>	<u>0.02385</u>	<u>521,992</u>	<u>0.03040</u>
Gross Margin	<u>(\$60,629)</u>	<u>(\$0.00222)</u>	<u>\$1,025,784</u>	<u>\$0.01503</u>	<u>(\$84,531)</u>	<u>(\$0.00492)</u>
Percent Gross Margin	-9.5%		38.7%		-19.3%	

Calendar Year To Date

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
<u>Wholesale kWh Sales</u>	<u>613,095,777</u>		<u>872,150,498</u>		<u>514,732,509</u>	
<u>Wholesale Sales</u>	<u>\$18,551,807</u>	<u>\$0.03026</u>	<u>\$27,893,684</u>	<u>\$0.03198</u>	<u>\$14,793,984</u>	<u>\$0.02874</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	11,857,617	0.01934	17,073,466	0.01958	10,071,028	0.01957
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	1,784	0.00000	444	0.00000	601	0.00000
NO _x Allowances ^{fn3}	44,883,013	0.07321	64,962	0.00007	36,382	0.00007
Other ^{fn4}	1,910,590	0.00312	1,891,585	0.00217	1,931,525	0.00375
Total Variable Costs	<u>58,653,004</u>	<u>0.09567</u>	<u>19,030,457</u>	<u>0.02182</u>	<u>12,039,536</u>	<u>0.02339</u>
Gross Margin	<u>(\$40,101,197)</u>	<u>(\$0.06541)</u>	<u>\$8,863,227</u>	<u>\$0.01016</u>	<u>\$2,754,448</u>	<u>\$0.00535</u>
Percent Gross Margin	-216.2%		31.8%		18.6%	

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

	<u>Budget</u>	<u>2013</u>	<u>2012</u>
fn1 SO ² (Acid Rain Program)	\$2.00	\$0.75	\$0.75
YTD SO ²	2.00	0.75	1.41
fn2 NO _x annual	42.50	45.00	37.50
NO _x seasonal	10.00	21.50	0.00
fn3 YTD NO _x annual	42.50	42.67	41.06
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.