

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</u> <u>Estimate</u>	<u>% Increase (Decrease)</u> <u>From Budget</u>	<u>This Year</u>	<u>% Increase (Decrease)</u> <u>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	<u>\$158,874,699</u>		<u>\$162,508,579</u>		<u>\$164,173,434</u>	
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	675,763	0.05015	697,773	0.05243	624,313	0.04993
Native System Sales	40,459,636	0.05703	40,155,958	0.05770	38,386,640	0.05516
Wholesale Sales	18,551,807	0.03026	27,893,684	0.03198	14,793,984	0.02874
Energy Sales	59,011,443		68,049,642		53,180,624	
Steam Sales	8,341,288	3.69	8,169,372	3.65	8,046,405	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	480,559		508,892		510,636	
Total Other Revenue	1,010,897		1,027,250		1,602,193	
Operating Revenue	68,363,628		77,246,264		62,829,222	
<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	9,449,538		9,370,010		9,293,620	
Total Operating Expense	74,450,521		79,730,286		66,092,667	
Operating Loss	(6,086,893)		(2,484,022)		(3,263,445)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	1,112,142		1,078,041		1,049,082	
Interest Expense	(4,500)		(1,525)		(1,406)	
Total Nonoperating Revenue (Expense)	1,107,642		1,076,516		1,047,676	
Net Loss Before Revenue Adjustment and Capital Contributions	(4,979,251)		(1,407,506)		(2,215,769)	
Capital Contributions	—		62,135		11,943	
Revenue Adjustment-Extraordinary O&M	—		—		4,000,000	
Change in Net Position	(4,979,251)		(1,345,371)		1,796,174	
Beginning Net Position	163,853,950		163,853,950		162,377,260	
Ending Net Position	\$158,874,699		\$162,508,579		\$164,173,434	
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	<u>5,000,840</u>	<u>---</u>
Total Restricted Current Assets	<u>6,032,082</u>	<u>6,032,610</u>
<u>Unrestricted</u>		
Cash - interest bearing	8,767,098	9,343,122
Investments	<u>14,000,000</u>	<u>---</u>
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	<u>---</u>	<u>26,165</u>
Inventories	6,443,317	6,599,292
Fuel	5,027,060	14,454,156
Prepaid Expenses	<u>657,776</u>	<u>581,400</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	<u>320,491,373</u>	<u>310,422,372</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	<u>---</u>
Joint Venture Rights	<u>116,289</u>	<u>125,504</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	<u>3,799</u>	<u>13,850</u>
Total Unrestricted Current Liabilities	<u>5,635,315</u>	<u>5,928,420</u>
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	<u>180,370</u>	<u>180,370</u>
Total Non-Current Liabilities	<u>2,126,355</u>	<u>1,997,901</u>
Deferred Revenue - Extraordinary O & M	<u>6,032,866</u>	<u>6,032,866</u>
Net Position:		
Net Investment in Capital Assets	92,097,090	99,256,494
Restricted	6,032,082	6,032,610
Unrestricted	<u>64,379,407</u>	<u>58,884,330</u>
Total Net Position	<u>162,508,579</u>	<u>164,173,434</u>
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	<u>(3,043,241)</u>	<u>(18,986,788)</u>
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	<u>(657)</u>	<u>(38)</u>
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 Month</u>	<u>Year- 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	<u>(748)</u>	<u>(10,051)</u>
 Net cash flows from operating activities	<u><u>(\$1,510,027)</u></u>	<u><u>\$14,733,647</u></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>\$6,032,082</u>	<u>\$6,032,610</u>

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>
Purchased Power	\$1,559,625	27.6	31.6
Average price per kWh	\$0.0215	\$0.0338	\$0.0208
Generation			
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	\$3,159,378	55.9	60.6
		\$4,788,325	\$2,610,497
		60.6	51.6

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

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	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
Purchased Power	\$18,267,866	26.7	\$20,518,614	26.6	\$15,955,003
Average price per kWh	\$0.0247		\$0.0283		\$0.0219
Generation					
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	6,246,880		6,223,730		6,223,590
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 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	<u>5,682</u>	<u>1,825</u>	<u>5,627</u>	
Total Transmission Expense	<u>133,507</u>	<u>2.4</u>	<u>143,600</u>	<u>1.8</u>
				136,516 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	<u>1,697</u>	<u>545</u>	<u>1,681</u>	
Total Distribution Expense	<u>\$440,627</u>	<u>7.8</u>	<u>\$417,075</u>	<u>5.3</u>
				\$398,692 7.9

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

	Budget Estimate	This Year	Last Year			
<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	<u>56,820</u>	<u>53,455</u>	<u>55,685</u>			
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	<u>16,970</u>	<u>15,956</u>	<u>16,638</u>			
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</u> <u>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	 35,260	 0.6	 8,567
	<u>35,260</u>	<u>0.6</u>	<u>8,567</u>
	<u>11,842</u>	<u>0.1</u>	<u>0.2</u>
 <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	 49,011	 0.9	 47,252
	<u>49,011</u>	<u>0.9</u>	<u>47,252</u>
	<u>48,790</u>	<u>0.6</u>	<u>1.0</u>
 <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	 1,074,676	 19.0	 1,123,736
	<u>1,074,676</u>	<u>19.0</u>	<u>1,123,736</u>
	<u>14.2</u>	<u>14.2</u>	<u>21.8</u>
 Total Operating Expense	 \$6,452,084	 \$9,022,855	 \$5,805,599
 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

	Budget <u>Estimate</u>		This Year		Last Year
<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
 Total Customer Service Expense	 \$359,079	 0.5	 \$187,130	 0.2	 \$243,853
					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
 Total Consumer Accounts Expense	 500,806	 0.7	 523,342	 0.7	 472,322
					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
 Total Administrative and General	 11,139,944	 16.3	 10,370,898	 13.4	 10,434,440
					16.6
 Total Operating Expense	 \$74,450,521		 \$79,730,286		 \$66,092,667
 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°
<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><u>11,260</u></u>	<u><u>11,300</u></u>

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

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

Calendar Year To Date

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

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

	Budget	2013	2012
fn1 SO ² (Acid Rain Program)	\$2.00	\$0.75	\$0.75
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.