

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

August 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 - August 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	124,830,403	(7.1)	116,029,614	8.1	107,310,324
Less: Plant Use	<u>11,068,488</u>	6.3	<u>11,760,998</u>	2.1	<u>11,517,213</u>
Net Generation/Wholesale Sales	<u><u>113,761,915</u></u>	(8.3)	<u><u>104,268,616</u></u>	8.8	<u><u>95,793,111</u></u>
<u>Net Capacity Factors</u>					
Unit 9	70.00	(2.6)	68.16	13.8	59.87
Unit 8/8A	60.53	(7.6)	55.93	(3.0)	57.66
Unit 7	50.00	(59.3)	20.36	(22.2)	26.17
Total Plant	66.24	(8.3)	60.76	8.6	55.93
<u>KWH Distribution</u>					
Residential	12,071,905	(11.2)	10,721,157	(14.8)	12,587,153
Commercial I	3,946,570	(4.1)	3,784,066	(6.2)	4,032,937
Commercial II	10,121,550	(10.2)	9,087,844	(3.9)	9,459,726
Industrial I	12,198,904	0.1	12,211,380	2.4	11,920,940
Industrial II	37,725,425	(6.9)	35,103,918	0.4	34,978,311
City Enterprise Funds	433,368	(19.3)	349,881	9.9	318,230
Water & Communications Utilities	<u>1,416,495</u>	0.1	<u>1,418,488</u>	4.9	<u>1,352,065</u>
Native System Sales	77,914,217	(6.7)	72,676,734	(2.6)	74,649,362
City Lighting	167,405	(3.0)	162,410	(0.1)	162,581
City Buildings	565,184	23.6	698,844	11.3	627,852
Offline Power Plant Usage	---	---	42,362	(11.9)	48,068
Losses & Cycle Billing	<u>2,464,821</u>	48.6	<u>3,662,266</u>	8.9X	<u>368,248</u>
Total Native System KWH Distributed/Purchased Power	<u><u>81,111,627</u></u>	(4.8)	<u><u>77,242,616</u></u>	1.8	<u><u>75,856,111</u></u>
<u>STEAM SALES - 1000 lbs</u>	<u><u>247,435</u></u>	(14.6)	<u><u>211,417</u></u>	(16.6)	<u><u>253,564</u></u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - August 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	606,987,194	36.5	828,238,341	62.4	509,949,934
Less: Plant Use	<u>61,198,174</u>	38.0	<u>84,448,174</u>	34.0	<u>63,012,134</u>
Net Generation/Wholesale Sales	<u>545,789,020</u>	36.3	<u>743,790,167</u>	66.4	<u>446,937,800</u>
<u>Net Capacity Factors</u>					
Unit 9	42.48	50.2	63.79	81.7	35.10
Unit 8/8A	37.98	20.6	45.80	23.5	37.10
Unit 7	31.44	(49.6)	15.86	24.6	12.73
Total Plant	40.54	36.4	55.28	66.8	33.15
<u>KWH Distribution</u>					
Residential	74,071,440	(4.0)	71,119,952	(4.8)	74,688,022
Commercial I	26,456,680	(0.2)	26,398,049	(0.1)	26,424,062
Commercial II	70,872,985	(6.0)	66,637,902	(2.1)	68,044,585
Industrial I	81,075,552	2.2	82,890,600	4.6	79,277,700
Industrial II	300,427,860	(3.1)	291,264,723	(2.4)	298,430,118
City Enterprise Funds	3,717,292	(11.4)	3,293,987	14.7	2,872,846
Water & Communications Utilities	<u>10,787,946</u>	(2.1)	<u>10,559,682</u>	5.3	<u>10,025,685</u>
Native System Sales	567,409,755	(2.7)	552,164,895	(1.4)	559,763,018
City Lighting	1,373,489	(2.0)	1,346,313	0.1	1,344,669
City Buildings	4,336,842	10.0	4,772,335	7.6	4,433,572
Offline Power Plant Usage	1,479,690	7.9	1,596,486	(56.3)	3,652,714
Losses & Cycle Billing	<u>19,609,171</u>	(2.1)	<u>19,201,868</u>	13.0	<u>17,000,154</u>
Total Native System KWH Distributed/Purchased Power	<u>594,208,947</u>	(2.5)	<u>579,081,897</u>	(1.2)	<u>586,194,127</u>
<u>STEAM SALES - 1000 lbs</u>	<u>1,763,144</u>	(1.7)	<u>1,732,557</u>	(4.4)	<u>1,812,232</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - August 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	\$1,041,788	0.08630	\$1,008,700	0.0941	\$1,102,091	0.08756
Commercial I	332,334	0.08421	329,929	0.0872	326,203	0.08088
Commercial II	615,276	0.06079	595,345	0.0655	555,382	0.05871
Industrial I	664,089	0.05444	657,043	0.0538	608,151	0.05102
Industrial II	1,855,734	0.04919	1,687,912	0.0481	1,636,590	0.04679
City Enterprise Funds	25,656	0.05920	23,481	0.0671	20,049	0.06300
Water & Communication Utilities	<u>71,868</u>	<u>0.05074</u>	<u>78,256</u>	<u>0.0552</u>	<u>67,582</u>	<u>0.04998</u>
Native System Sales	4,606,745	0.05913	4,380,666	0.0603	4,316,048	0.05782
Wholesale Sales	<u>4,322,953</u>	<u>0.03800</u>	<u>3,270,129</u>	<u>0.0314</u>	<u>2,629,578</u>	<u>0.02745</u>
Energy Sales	<u>8,929,698</u>		<u>7,650,795</u>		<u>6,945,626</u>	
<u>Steam Sales</u>	<u>910,538</u>	3.68	<u>767,048</u>	3.63	<u>880,110</u>	3.47
<u>Other Revenue</u>						
Rail Car Lease	---		---		59,443	
By-Product Revenue	31,292		30,259		28,357	
Miscellaneous Revenue	<u>45,122</u>		<u>45,433</u>		<u>55,200</u>	
Total Other Revenue	<u>76,414</u>		<u>75,692</u>		<u>143,000</u>	
Operating Revenue	<u>9,916,650</u>		<u>8,493,535</u>		<u>7,968,736</u>	
<u>Operating Expense</u>						
Purchased Power	2,838,907	0.03500	2,205,769	0.0286	1,804,341	0.02379
Production Fuel	2,948,948		2,618,030		2,483,730	
Emissions Allowance	6,172		7,984		11,574	
Operation	1,869,096		1,726,945		1,808,773	
Maintenance	776,559		671,066		800,629	
Depreciation	<u>944,954</u>		<u>937,001</u>		<u>929,362</u>	
Total Operating Expense	<u>9,384,636</u>		<u>8,166,795</u>		<u>7,838,409</u>	
Operating Income	<u>532,014</u>		<u>326,740</u>		<u>130,327</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	111,815		109,038		104,336	
Interest Expense	<u>(450)</u>		<u>(107)</u>		<u>(115)</u>	
Total Nonoperating Revenue (Expense)	<u>111,365</u>		<u>108,931</u>		<u>104,221</u>	
Net Income Before Revenue Adjustment	643,379		435,671		234,548	
Capital Contributions	<u>---</u>		<u>938</u>		<u>1,500</u>	
Change in Net Position	643,379		436,609		236,048	
Beginning Net Position	<u>160,422,653</u>		<u>163,479,221</u>		<u>164,669,623</u>	
Ending Net Position	<u>\$161,066,032</u>		<u>\$163,915,830</u>		<u>\$164,905,671</u>	
Net Loss Before Rev Adj to Op Revenue	6.5		5.1		2.9	
Change in Net Position to Operating Revenue	6.5		5.1		3.0	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - August 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	\$6,343,785	0.08564	\$6,516,639	0.09163	\$6,240,273	0.08355
Commercial I	2,167,724	0.08193	2,174,268	0.08236	2,115,393	0.08006
Commercial II	4,314,081	0.06087	4,067,583	0.06104	4,053,927	0.05958
Industrial I	4,385,198	0.05409	4,393,601	0.05300	4,079,970	0.05146
Industrial II	14,206,273	0.04729	13,786,098	0.04733	13,543,620	0.04538
City Enterprise Funds	215,116	0.05787	199,625	0.06060	173,913	0.06054
Water & Communications Utilities	<u>538,540</u>	0.04992	<u>544,092</u>	0.05153	<u>495,381</u>	0.04941
Native System Sales	32,170,717	0.05670	31,681,906	0.05738	30,702,477	0.05485
Wholesale Sales	<u>16,930,044</u>	0.03102	<u>23,219,632</u>	0.03122	<u>13,117,497</u>	0.02935
Energy Sales	<u>49,100,761</u>		<u>54,901,538</u>		<u>43,819,974</u>	
<u>Steam Sales</u>	<u>6,494,776</u>	3.68	<u>6,351,502</u>	3.67	<u>6,575,560</u>	3.63
<u>Other Revenue</u>						
Rail Car Lease	218,000		172,575		539,420	
By-Product Revenue	296,116		135,322		433,827	
Miscellaneous Revenue	<u>390,465</u>		<u>411,254</u>		<u>423,691</u>	
Total Other Revenue	<u>904,581</u>		<u>719,151</u>		<u>1,396,938</u>	
Operating Revenue	<u>56,500,118</u>		<u>61,972,191</u>		<u>51,792,472</u>	
<u>Operating Expense</u>						
Purchased Power	15,109,922	0.02543	15,966,289	0.02757	13,133,634	0.02240
Production Fuel	15,154,508		18,874,863		13,323,705	
Emissions Allowance	45,732		58,762		52,490	
Operation	15,172,766		14,148,008		14,139,465	
Maintenance	7,129,673		6,287,203		6,029,113	
Depreciation	<u>7,559,630</u>		<u>7,496,008</u>		<u>7,434,896</u>	
Total Operating Expense	<u>60,172,231</u>		<u>62,831,133</u>		<u>54,113,303</u>	
Operating Loss	<u>(3,672,113)</u>		<u>(858,942)</u>		<u>(2,320,831)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	887,792		860,329		838,315	
Interest Expense	<u>(3,600)</u>		<u>(1,142)</u>		<u>(1,016)</u>	
Total Nonoperating Revenue (Expense)	<u>884,192</u>		<u>859,187</u>		<u>837,299</u>	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	<u>(2,787,921)</u>		245		<u>(1,483,532)</u>	
Capital Contributions	---		61,635		11,943	
Revenue Adjustment-Extraordinary O&M	<u>---</u>		<u>---</u>		<u>4,000,000</u>	
Change in Net Position	<u>(2,787,921)</u>		61,880		2,528,411	
Beginning Net Position	<u>163,853,950</u>		<u>163,853,950</u>		<u>162,377,260</u>	
Ending Net Position	<u>\$161,066,029</u>		<u>\$163,915,830</u>		<u>\$164,905,671</u>	
Net Loss Before Rev Adj to Op Revenue	(4.9)		0.0		(2.9)	
Change in Net Position to Operating Revenue	(4.9)		0.1		4.9	

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

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$231,242	\$6,032,610
Investments	5,800,793	---
	<u>6,032,035</u>	<u>6,032,610</u>
<u>Unrestricted</u>		
Cash - interest bearing	4,930,808	9,257,001
Investments	17,701,984	---
Receivables:		
Consumer Accounts	5,376,623	5,703,571
Wholesale	826,493	420,531
Steam Sales	806,299	1,141,578
Interest	223,741	207,901
Intercompanies	---	22,806
Inventories	6,394,048	6,587,798
Fuel	5,650,057	13,870,455
Prepaid Expenses	885,102	724,934
	<u>42,795,155</u>	<u>37,936,575</u>
Total Unrestricted Current Assets	<u>42,795,155</u>	<u>37,936,575</u>
Total Current Assets	<u>48,827,190</u>	<u>43,969,185</u>
Property and Equipment:		
At Cost	412,145,826	409,307,354
Less Accumulated Depreciation	318,741,793	308,621,339
	<u>93,404,033</u>	<u>100,686,015</u>
Net Property and Equipment	<u>93,404,033</u>	<u>100,686,015</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	400,000	---
Joint Venture Rights	105,668	116,918
	<u>35,832,668</u>	<u>35,443,918</u>
Total Other Assets	<u>35,832,668</u>	<u>35,443,918</u>
TOTAL ASSETS	<u><u>\$178,063,891</u></u>	<u><u>\$180,099,118</u></u>

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

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$2,378,154	\$2,086,297
Pension Provision	238,272	1,482,916
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	618,395	586,578
Accrued Vacation	1,127,516	1,054,139
Accrued Emission Allowance Expense	58,762	334,298
Consumers' Deposits	583,526	583,603
Retained Percentage on Contracts	44,017	15,298
Accrued Property Taxes	120,739	122,442
Miscellaneous Accrued Expenses	706,875	649,773
Miscellaneous Deferred Credits	4,548	13,850
	<u>6,054,630</u>	<u>7,125,727</u>
Total Unrestricted Current Liabilities		
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,652,487	1,699,013
Post-Employment Health Benefit Provision	227,708	155,471
Consumer Advances for Construction	180,370	180,370
	<u>2,060,565</u>	<u>2,034,854</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	93,404,033	100,686,015
Restricted	6,032,035	6,032,610
Unrestricted	<u>64,479,762</u>	<u>58,187,046</u>
Total Net Position	<u>163,915,830</u>	<u>164,905,671</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$178,063,891</u></u>	<u><u>\$180,099,118</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,076,220	\$31,060,440
MISO sales	3,195,367	21,288,552
Steam sales	925,200	6,424,540
Coal & transportation allowances	---	3,925
Railcar leasing	---	249,469
By-product sales	25,787	90,703
Miscellaneous sources	19,945	385,427
Cash paid to/for:		
Suppliers	(1,720,919)	(6,697,039)
MISO purchases/administration fees	(2,138,887)	(15,732,957)
Coal	(1,911,547)	(10,109,080)
Employees payroll, taxes and benefits	(1,622,642)	(14,406,325)
Net cash flows from operating activities	<u>848,524</u>	<u>12,557,655</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(459,568)</u>	<u>(2,899,283)</u>
Net cash flows from capital and related financing activities	<u>(459,568)</u>	<u>(2,899,283)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(65,515)
Interest received on investments and note receivable	425	861,081
Accrued interest purchased	---	(1,540)
Amortization/accretion of investments	78	927
Mark to Market	(34)	(229)
Net cash flows from investing activities	<u>469</u>	<u>794,724</u>
Net increase in cash and investments	<u>389,425</u>	<u>10,453,096</u>
Cash and investments at beginning of period	<u>27,038,645</u>	<u>16,974,974</u>
Cash and investments at end of period	<u>\$27,428,070</u>	<u>\$27,428,070</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$326,740	(\$858,942)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	7,496,008
Amortization of joint venture rights	7,992	70,405
Changes in assets and liabilities:		
Consumer accounts receivable	(405,042)	(606,013)
Wholesale receivable	123,717	(731,914)
Steam sales receivable	157,886	128,232
Intercompany receivable	---	17,211
Inventories	49,792	172,266
Fuel	329,773	7,138,103
Prepaid expenses	139,345	(408,555)
Accounts payable	234,195	839,758
Pension provision	136,700	238,272
Health & dental insurance provision	(87,223)	2,752
Other post-employment benefit provision	23,506	58,944
Accrued payroll	(1,088,006)	(1,010,181)
Accrued vacation	(36,343)	15,672
Accrued emission allowance expense	7,985	(7,263)
Consumers' deposits	537	8,610
Retained percentage	2,838	44,017
Accrued property taxes	6,004	14,420
Miscellaneous accrued expenses	(17,071)	(54,845)
Miscellaneous deferred credits	(1,802)	(9,302)
	<u> </u>	<u> </u>
Net cash flows from operating activities	<u>\$848,524</u>	<u>\$12,557,655</u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,035</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$6,032,035</u></u>	<u><u>\$6,032,610</u></u>

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$2,838,907</u>	28.6	<u>\$2,205,769</u>	26.0	<u>\$1,804,341</u>	22.6
Average price per kWh	\$0.0350		\$0.0286		\$0.0238	
<u>Generation</u>						
Operation Supervision	78,161		80,609		84,153	
Fuel:						
Coal	2,836,470		2,536,721		2,397,000	
Fuel Oil	18,999		294		295	
Gas	10,800		7,249		9,844	
Coal Handling Expense	72,535		68,071		74,304	
Landfill Operation Expense	10,144		5,695		2,287	
Emissions Allowance Expense	6,172		7,984		11,574	
Steam Expense:						
Boiler	113,201		92,492		100,184	
Pollution Control	45,014		82,399		98,107	
Electric Expense	106,614		98,620		106,019	
Miscellaneous Steam Power Expense	188,286		192,135		139,804	
Maintenance:						
Supervision	83,801		77,515		84,478	
Structures	109,234		43,670		26,892	
Boiler Plant:						
Boiler	145,213		116,287		142,364	
Pollution Control	22,885		76,648		233,787	
Electric Plant	45,694		30,662		33,592	
System Control	38,945		17,256		17,581	
Miscellaneous Steam Plant	65,792		85,698		51,725	
Coal Handling Equipment	76,908		59,385		36,950	
System Control and Load Dispatch	23,683		25,357		30,626	
Vacation, Holiday, Sick Leave	71,519		70,407		70,239	
Depreciation	<u>624,688</u>		<u>622,373</u>		<u>622,359</u>	
Total Generation Expense	<u>\$4,794,758</u>	48.4	<u>\$4,397,527</u>	51.8	<u>\$4,374,164</u>	54.9

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$15,109,922</u>	26.7	<u>\$15,966,289</u>	25.8	<u>\$13,133,634</u>	25.4
Average price per kWh	\$0.0254		\$0.0276		\$0.0224	
<u>Generation</u>						
Operation Supervision	616,280		626,916		603,518	
Fuel:						
Coal	14,263,441		18,135,245		12,578,305	
Fuel Oil	141,612		81,481		121,610	
Gas	135,000		89,848		97,572	
Coal Handling Expense	558,737		529,483		483,910	
Landfill Operation Expense	55,718		38,806		42,308	
Emissions Allowance Expense	45,732		58,762		52,490	
Steam Expense:						
Boiler	923,233		787,829		794,426	
Pollution Control	413,493		318,673		295,556	
Electric Expense	780,307		740,057		763,497	
Miscellaneous Steam Power Expense	1,465,347		1,273,441		1,349,205	
Maintenance:						
Supervision	631,481		641,742		633,159	
Structures	562,804		461,180		422,654	
Boiler Plant:						
Boiler	1,707,555		1,419,005		1,532,728	
Pollution Control	383,255		432,986		628,080	
Electric Plant	682,947		538,302		288,433	
System Control	176,671		140,356		125,218	
Miscellaneous Steam Plant	595,712		546,859		497,232	
Coal Handling Equipment	864,481		576,377		643,540	
System Control and Load Dispatch	194,097		212,236		256,368	
Vacation, Holiday, Sick Leave	682,441		738,449		741,508	
Depreciation	<u>4,997,504</u>		<u>4,978,984</u>		<u>4,978,872</u>	
Total Generation Expense	<u>\$30,877,848</u>	54.7	<u>\$33,367,017</u>	53.8	<u>\$27,930,189</u>	53.9

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$3,852		\$3,792		\$4,308	
Load Dispatching	53,709		44,490		53,058	
Station Expense	8,643		8,676		7,507	
Overhead Line Expense	130		---		---	
Transmission of Electricity by Others	10,933		14,079		2,947	
Miscellaneous Transmission Expense	10,786		5,125		6,492	
Maintenance:						
Supervision	1,937		1,897		2,132	
Structures	881		---		---	
Station Equipment	6,652		2,197		5,596	
Overhead Lines	10,057		5,067		65	
Vacation, Holiday, Sick Leave	5,035		6,153		3,783	
Depreciation	30,745		30,625		30,625	
Tax on Rural Property	5,682		5,774		5,627	
Total Transmission Expense	<u>149,042</u>	1.5	<u>127,875</u>	1.5	<u>122,140</u>	1.5
<u>Distribution</u>						
Operation Supervision	10,979		11,401		12,625	
Load Dispatching	36,231		31,401		30,075	
Station Expense	6,972		7,181		7,987	
Overhead Line Expense	5,351		3,133		2,151	
Vehicle Expense	15,644		10,636		20,989	
Underground Line Expense	3,520		3,641		5,163	
Street Lighting	1,767		3,714		2,482	
Signal Expense	651		431		268	
Meter Expense	7,850		7,924		10,394	
Consumer Installation Expense	622		602		1,668	
Miscellaneous Distribution Expense	52,751		44,987		65,144	
Maintenance:						
Supervision	10,361		10,405		11,483	
Structures	870		---		---	
Station Equipment	11,051		19,933		4,787	
Overhead Lines	47,770		44,848		68,174	
Underground Lines	9,152		4,382		6,468	
Line Transformers	11,996		773		4,259	
Street Lighting	5,181		3,105		2,810	
Signal System	2,087		4,620		7,054	
Meters	2,381		(358)		522	
Miscellaneous Distribution Plant	2,278		4,122		1,837	
Vacation, Holiday, Sick Leave	21,723		20,922		19,542	
Depreciation	156,137		155,502		152,158	
Tax on Rural Property	1,697		1,725		1,681	
Total Distribution Expense	<u>\$425,022</u>	4.3	<u>\$395,030</u>	4.7	<u>\$439,721</u>	5.5

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$29,394		\$31,835		\$29,865	
Load Dispatching	364,686		424,404		375,348	
Station Expense	66,112		55,051		60,425	
Overhead Line Expense	641		2,639		2,422	
Transmission of Electricity by Others	87,464		105,597		21,497	
Miscellaneous Transmission Expense	86,165		47,742		50,837	
Maintenance:						
Supervision	14,886		15,076		13,178	
Structures	9,483		---		---	
Station Equipment	65,142		46,712		33,090	
Overhead Lines	82,659		97,506		97,634	
Vacation, Holiday, Sick Leave	48,719		52,257		38,733	
Depreciation	245,958		245,000		245,000	
Tax on Rural Property	45,456		45,828		44,406	
	<hr/>		<hr/>		<hr/>	
Total Transmission Expense	1,146,765	2.0	1,169,647	1.9	1,012,435	2.0
<u>Distribution</u>						
Operation Supervision	83,125		89,796		78,196	
Load Dispatching	282,266		223,986		231,399	
Station Expense	58,833		47,353		57,033	
Overhead Line Expense	40,682		15,748		12,060	
Vehicle Expense	125,149		137,911		113,034	
Underground Line Expense	26,715		23,339		24,462	
Street Lighting	13,763		17,775		22,301	
Signal Expense	8,069		1,458		2,065	
Meter Expense	62,777		70,507		74,785	
Consumer Installation Expense	4,931		4,826		11,666	
Miscellaneous Distribution Expense	413,344		405,485		427,448	
Maintenance:						
Supervision	75,878		81,220		69,953	
Structures	8,789		---		---	
Station Equipment	74,924		94,073		52,772	
Overhead Lines	402,401		513,554		396,295	
Underground Lines	71,782		51,740		48,376	
Line Transformers	43,439		49,220		47,508	
Street Lighting	41,401		57,009		25,135	
Signal System	20,518		20,969		32,206	
Meters	21,010		18,142		8,118	
Miscellaneous Distribution Plant	18,224		19,101		17,203	
Vacation, Holiday, Sick Leave	213,476		223,147		195,984	
Depreciation	1,249,099		1,244,016		1,217,264	
Tax on Rural Property	13,576		13,686		13,276	
	<hr/>		<hr/>		<hr/>	
Total Distribution Expense	\$3,374,171	6.0	\$3,424,061	5.5	\$3,178,539	6.1

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$12,074		\$10,227		\$4,816	
Energy Efficiency Rebates	19,892		6,305		12,864	
Electric Ranges/Dryers Maintenance	450		540		456	
Electric Water Heaters Maintenance	<u>179</u>		<u>29</u>		<u>169</u>	
Total Customer Service Expense	<u>32,595</u>	0.3	<u>17,101</u>	0.2	<u>18,305</u>	0.2
<u>Consumer Accounts</u>						
Supervision	2,758		3,311		2,439	
Meter Reading Expense	8,245		7,420		8,997	
Consumer Records and Collection	31,430		35,682		32,443	
Uncollectible Accounts Expense	3,297		3,297		2,403	
Vacation, Holiday, Sick Leave	<u>3,312</u>		<u>3,695</u>		<u>3,500</u>	
Total Consumer Accounts Expense	<u>49,042</u>	0.5	<u>53,405</u>	0.6	<u>49,782</u>	0.6
<u>Administrative and General</u>						
Administrative and General Salaries	167,913		195,929		186,943	
Office Supplies and Expenses	21,479		13,514		19,481	
Outside Services Employed	66,410		48,737		18,043	
Property Insurance	55,708		55,169		46,620	
Casualty Ins, Injuries & Damages	36,613		19,505		64,668	
Employee Pensions and Benefits	515,974		453,820		485,555	
Fringe Benefits Charged to Constr.	(28,949)		(36,662)		(27,668)	
Regulatory Commission	8,567		(19,729)		4,400	
Miscellaneous General Expense	32,310		25,740		30,845	
Maintenance of General Plant	28,618		25,568		21,551	
Maintenance of A/O Center	36,815		37,386		36,522	
Vacation, Holiday, Sick Leave	20,428		22,610		18,776	
Depreciation	<u>133,384</u>		<u>128,501</u>		<u>124,220</u>	
Total Administrative and General	<u>1,095,270</u>	11.0	<u>970,088</u>	11.4	<u>1,029,956</u>	12.9
Total Operating Expense	<u>\$9,384,636</u>		<u>\$8,166,795</u>		<u>\$7,838,409</u>	
Percent to Operating Revenue		94.6		96.2		98.4

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$122,412		\$57,796		80,515	
Energy Efficiency Rebates	164,137		96,766		134,652	
Electric Ranges/Dryers Maintenance	3,887		4,382		3,544	
Electric Water Heaters Maintenance	<u>1,335</u>		<u>648</u>		<u>732</u>	
Total Customer Service Expense	<u>\$291,771</u>	0.5	<u>\$159,592</u>	0.3	<u>\$219,443</u>	0.4
<u>Consumer Accounts</u>						
Supervision	21,516		24,490		17,006	
Meter Reading Expense	66,915		70,418		69,915	
Consumer Records and Collection	253,543		268,639		233,701	
Uncollectible Accounts Expense	26,373		26,376		19,220	
Vacation, Holiday, Sick Leave	<u>32,597</u>		<u>35,052</u>		<u>35,770</u>	
Total Consumer Accounts Expense	<u>400,944</u>	0.7	<u>424,975</u>	0.7	<u>375,612</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	1,291,700		1,420,106		1,293,453	
Office Supplies and Expenses	174,577		119,984		133,040	
Outside Services Employed	591,417		354,891		424,294	
Property Insurance	417,674		415,706		349,528	
Casualty Ins, Injuries & Damages	292,908		233,047		374,124	
Employee Pensions and Benefits	4,183,179		3,920,932		3,935,784	
Fringe Benefits Charged to Constr.	(193,946)		(150,279)		(153,833)	
Regulatory Commission	68,533		38,731		45,171	
Miscellaneous General Expense	305,955		253,958		249,176	
Maintenance of General Plant	244,269		201,131		181,919	
Maintenance of A/O Center	329,962		264,943		234,682	
Vacation, Holiday, Sick Leave	197,513		218,394		202,353	
Depreciation	<u>1,067,069</u>		<u>1,028,008</u>		<u>993,760</u>	
Total Administrative and General	<u>8,970,810</u>	15.9	<u>8,319,552</u>	13.4	<u>8,263,451</u>	16.0
Total Operating Expense	<u>\$60,172,231</u>		<u>\$62,831,133</u>		<u>\$54,113,303</u>	
Percent to Operating Revenue		106.5		101.4		104.5

Muscatine Power and Water - Electric Utility
Statistical Data
August 2013

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

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.810	\$1.793
Per Net MW Generated	\$20.70	\$20.32
Net Peak Monthly Demand-KW	137,860	130,300
Date of Peak	8/27	8/3
Hour of Peak	1400	1700

	<u>Calendar Year-To-Date</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.820	\$1.861
Per Net MW Generated	\$20.31	\$20.95
Net Peak Monthly Demand-KW	137,860	138,450
Date of Peak	8/27	7/5
Hour of Peak	1400	1500

Average Temperature	72.3°	70.8°
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<u>Services</u>	<u>2013</u>	<u>2012</u>
Residential	9,711	9,710
Commercial I	1,371	1,390
Commercial II	115	116
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,264</u>	<u>11,284</u>

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

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
Wholesale kWh Sales	<u>113,761,915</u>		<u>104,268,616</u>		<u>95,793,111</u>	
Wholesale Sales	<u>\$4,322,953</u>	<u>\$0.03800</u>	<u>\$3,270,129</u>	<u>\$0.03136</u>	<u>\$2,629,578</u>	<u>\$0.02745</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	2,289,962	0.02013	2,070,817	0.01986	1,848,517	0.01930
Emissions:						
SO ² Allowances ^{fn1}	178	0.00000	57	0.00000	223	0.00000
NO _x Allowances ^{fn2}	4,679	0.00004	7,295	0.00007	7,608	0.00008
Other ^{fn3}	<u>191,059</u>	<u>0.00168</u>	<u>187,258</u>	<u>0.00180</u>	<u>192,761</u>	<u>0.00201</u>
Total Variable Costs	<u>2,485,878</u>	<u>0.02185</u>	<u>2,265,427</u>	<u>0.02173</u>	<u>2,049,109</u>	<u>0.02139</u>
Gross Margin	<u>\$1,837,075</u>	<u>\$0.01615</u>	<u>\$1,004,702</u>	<u>\$0.00964</u>	<u>\$580,469</u>	<u>\$0.00606</u>
Percent Gross Margin	42.5%		30.7%		22.1%	

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>
Wholesale kWh Sales	<u>545,789,020</u>		<u>743,790,167</u>		<u>446,937,800</u>	
Wholesale Sales	<u>\$16,930,044</u>	<u>\$0.03102</u>	<u>\$23,219,632</u>	<u>\$0.03122</u>	<u>\$13,117,497</u>	<u>\$0.02935</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	10,567,642	0.01936	14,411,781	0.01938	8,742,715	0.01956
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	1,436	0.00000	337	0.00000	546	0.00000
NO _x Allowances ^{fn3}	29,917	0.00005	51,819	0.00007	31,027	0.00007
Other ^{fn4}	<u>1,528,472</u>	<u>0.00280</u>	<u>1,517,069</u>	<u>0.00204</u>	<u>1,546,003</u>	<u>0.00346</u>
Total Variable Costs	<u>12,127,467</u>	<u>0.02222</u>	<u>15,981,006</u>	<u>0.02149</u>	<u>10,320,291</u>	<u>0.02309</u>
Gross Margin	<u>\$4,802,577</u>	<u>\$0.00880</u>	<u>\$7,238,626</u>	<u>\$0.00973</u>	<u>\$2,797,206</u>	<u>\$0.00626</u>
Percent Gross Margin	28.4%		31.2%		21.3%	

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	\$2.75
YTD SO ²	2.00	0.75	1.55
fn2 NO _x annual	42.50	45.00	37.50
NO _x seasonal	10.00	21.50	15.00
fn3 YTD NO _x annual	42.50	42.14	41.70
YTD NO _x seasonal	10.00	14.56	8.13

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