

**Muscatine Power and Water  
Electric Utility  
Operating Statements and Balance Sheets  
April 2010**

**Muscatine Power and Water  
Electric Utility**

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**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Current Month - April 2010**

	<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	128,682,668	(37.2)	80,813,523	(8.3)	88,094,643
Less: Plant Use	<u>12,603,156</u>	(24.7)	<u>9,485,985</u>	(0.6)	<u>9,541,404</u>
Net Generation	<u>116,079,512</u>	(38.6)	<u>71,327,538</u>	(9.2)	<u>78,553,239</u>
Wholesale Sales	<u>116,079,512</u>	(38.6)	<u>71,327,538</u>	---	<u>18,704,000</u> *
<b><u>KWH Distribution</u></b>					
Residential	6,962,632	(2.1)	6,815,428	(5.3)	7,194,541
Commercial I	2,895,107	(2.8)	2,812,610	(5.4)	2,972,389
Commercial II	7,763,004	2.1	7,927,872	4.2	7,606,269
Industrial I	9,661,833	(5.9)	9,092,762	(3.8)	9,453,818
Industrial II	33,873,687	12.8	38,223,314	1.4	37,678,558
City Enterprise Funds	470,644	(0.1)	470,381	(7.3)	507,638
Water & Communications Utilities	<u>1,347,253</u>	5.9	<u>1,427,113</u>	2.6	<u>1,390,958</u>
Native System Sales	62,974,160	6.0	66,769,480	(0.1)	66,804,171
City Lighting	174,481	(4.0)	167,581	1.4	165,214
City Buildings	461,881	(3.1)	447,431	(3.3)	462,687
Offline Power Plant Usage	---	---	130,019	---	---
MAPP Trans Loss-Net	---	---	---	---	(270,000)
Losses & Cycle Billing	<u>1,193,149</u>	(35.0)	<u>776,027</u>	(17.9)	<u>945,167</u>
Total Native System KWH Distributed	<u>64,803,671</u>	5.4	<u>68,290,538</u>	0.3	<u>68,107,239</u>
Purchased Power	<u>64,803,671</u>	5.4	<u>68,290,538</u>	---	<u>8,258,000</u> *

\*Wholesale sales and purchased power are not comparable due to joining MISO September 1, 2009

<b>STEAM SALES - 1000 lbs</b>	<u>248,400</u>	0.2	<u>248,890</u>	27.2	<u>195,735</u>
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**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Calendar Year-to-Date - April 2010**

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	<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	516,829,552	(10.4)	463,198,960	16.5	397,457,723
Less: Plant Use	<u>50,497,853</u>	(10.1)	<u>45,373,340</u>	14.2	<u>39,716,394</u>
Net Generation	<u>466,331,699</u>	(10.4)	<u>417,825,620</u>	16.8	<u>357,741,329</u>
Wholesale Sales	<u>466,331,699</u>	(10.4)	<u>417,825,620</u>	--	<u>124,246,000</u> *
<b><u>KWH Distribution</u></b>					
Residential	31,613,805	6.2	33,569,284	(0.2)	33,626,512
Commercial I	12,317,756	1.0	12,438,107	(2.6)	12,770,176
Commercial II	32,242,318	(0.5)	32,072,487	(0.8)	32,327,938
Industrial I	37,989,617	(6.6)	35,486,322	(4.7)	37,224,838
Industrial II	139,421,396	5.7	147,327,063	(1.6)	149,684,080
City Enterprise Funds	2,009,955	0.9	2,027,060	(1.1)	2,049,008
Water & Communications Utilities	<u>5,232,471</u>	6.1	<u>5,552,714</u>	(0.5)	<u>5,581,821</u>
Native System Sales	260,827,318	2.9	268,473,037	(1.8)	273,264,373
City Lighting	668,431	(0.2)	666,976	0.5	663,455
City Buildings	2,211,507	3.8	2,296,056	4.8	2,190,568
Offline Power Plant Usage	--	--	180,931	--	--
MAPP Trans Loss-Net	--	--	--	--	473,000
Losses & Cycle Billing	<u>6,423,590</u>	(33.5)	<u>4,270,849</u>	(13.9)	<u>4,961,933</u>
Total Native System KWH Distributed	<u>270,130,846</u>	2.1	<u>275,887,849</u>	(2.0)	<u>281,553,329</u>
Purchased Power	<u>270,130,846</u>	2.1	<u>275,887,849</u>	--	<u>48,058,000</u> *

\*Wholesale sales and purchased power are not comparable due to joining MISO September 1, 2009

<b><u>STEAM SALES - 1000 lbs</u></b>	<u>993,600</u>	(0.6)	<u>987,626</u>	5.5	<u>935,948</u>
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**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Assets**  
**Current Month - April 2010**

	<b>Budget Estimate</b>	<b>Avg. Price</b>	<b>This Year</b>	<b>Avg. Price</b>	<b>Last Year</b>	<b>Avg. Price</b>
<b><u>Sales of Electricity</u></b>						
Residential	\$521,501	0.0749	\$510,862	0.0750	\$533,826	0.0742
Commercial I	219,594	0.0759	214,442	0.0762	225,034	0.0757
Commercial II	454,912	0.0586	452,180	0.0570	444,849	0.0585
Industrial I	470,983	0.0487	442,217	0.0486	473,507	0.0501
Industrial II	1,467,091	0.0433	1,596,795	0.0418	1,570,011	0.0417
City Enterprise Funds	22,035	0.0468	25,359	0.0539	25,044	0.0493
Water & Communication Utilities	63,378	0.0470	68,877	0.0483	65,389	0.0470
Native System Sales	3,219,494	0.0511	3,310,732	0.0496	3,337,660	0.0500
Wholesale Sales	2,901,988	0.0250	2,645,528	0.0371	530,642 *	0.0284
Energy Sales	6,121,482		5,956,260		3,868,302	
<b>Steam Sales</b>	<b>1,019,566</b>	<b>4.10</b>	<b>974,387</b>	<b>3.91</b>	<b>808,680</b>	<b>4.13</b>
<b><u>Other Revenue</u></b>						
Rail Car Lease	78,000		17,437		—	
By-Product Revenue	29,481		19,504		13,243	
Miscellaneous Revenue	32,727		39,266		33,173	
Total Other Revenue	140,208		76,207		46,416	
Operating Revenue	7,281,256		7,006,854		4,723,398	
<b><u>Operating Expense</u></b>						
Production Fuel	2,064,175		1,524,167		1,412,804	
Purchased Power	1,620,092		2,022,567		229,120 *	
Emissions Allowance	111,980		41,438		44,930	
Operation	1,928,976		1,738,902		1,685,631	
Maintenance	701,701		732,161		992,100	
Depreciation	1,191,485		1,186,227		1,175,880	
Total Operating Expense	7,618,409		7,245,462		5,540,465	
Operating Loss	(337,153)		(238,608)		(817,067)	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	133,837		119,646		189,206	
Interest Expense	(123,199)		(124,869)		(179,647)	
Total Nonoperating Revenue (Expense)	10,638		(5,223)		9,559	
<b>Net Loss Before Revenue Adjustment and Capital Contributions</b>	<b>(326,515)</b>		<b>(243,831)</b>		<b>(807,508)</b>	
Capital Contributions	—		—		—	
Revenue Adjustment-Extraordinary O & M	—		—		—	
Change in Net Assets	(326,515)		(243,831)		(807,508)	
Beginning Net Assets	162,310,724		169,212,964		155,553,538	
<b>Ending Net Assets</b>	<b>\$161,984,209</b>		<b>\$168,969,133</b>		<b>\$154,746,030</b>	
Percent to Total Income Before Revenue Adj	(4.4)		(3.4)		(16.4)	
Percent to Total Income After Revenue Adj	(4.4)		(3.4)		(16.4)	
Debt Service Coverage Before Transfers	0.85		0.95		0.48	
Debt Service Coverage After Transfers	0.85		0.95		0.48	

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Assets**  
**Calendar Year-to-Date - April 2010**

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	<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>
<b><u>Sales of Electricity</u></b>						
Residential	\$2,311,449	0.0731	\$2,420,646	0.0721	\$2,421,966	0.0720
Commercial I	921,427	0.0748	936,227	0.0753	957,733	0.0750
Commercial II	1,877,633	0.0582	1,809,281	0.0564	1,840,707	0.0569
Industrial I	1,866,625	0.0491	1,761,452	0.0496	1,860,038	0.0500
Industrial II	5,981,476	0.0429	6,178,776	0.0419	6,256,972	0.0418
City Enterprise Funds	96,343	0.0479	105,027	0.0518	101,940	0.0498
Water & Communications Utilities	248,212	0.0474	268,314	0.0483	263,572	0.0472
Native System Sales	<u>13,303,165</u>	<u>0.0510</u>	<u>13,479,723</u>	<u>0.0502</u>	<u>13,702,928</u>	<u>0.0501</u>
Wholesale Sales	11,658,285	0.0250	14,845,169	0.0355	<u>4,424,322</u>	* 0.0356
Energy Sales	<u>24,961,450</u>		<u>28,324,892</u>		<u>18,127,250</u>	
<b><u>Steam Sales</u></b>	<u>4,026,395</u>	<u>4.05</u>	<u>3,861,047</u>	<u>3.91</u>	<u>4,513,201</u>	<u>4.82</u>
<b><u>Other Revenue</u></b>						
Rail Car Lease	210,000		90,806		35,928	
By-Product Revenue	47,115		61,286		12,581	
Miscellaneous Revenue	139,683		153,330		181,879	
Total Other Revenue	<u>396,798</u>		<u>305,422</u>		<u>230,388</u>	
Operating Revenue	<u>29,384,643</u>		<u>32,491,361</u>		<u>22,870,839</u>	
<b><u>Operating Expense</u></b>						
Production Fuel	7,870,809		7,676,977		7,137,800	
Purchased Power	6,753,272		8,989,330		2,228,761	*
Emissions Allowance	447,921		352,143		1,225,581	
Operation	7,336,454		6,944,295		6,702,281	
Maintenance	3,049,605		2,709,998		5,495,047	
Depreciation	4,765,940		4,744,908		4,703,520	
Total Operating Expense	<u>30,224,001</u>		<u>31,417,651</u>		<u>27,492,990</u>	
Operating Income (Loss)	<u>(839,358)</u>		<u>1,073,710</u>		<u>(4,622,151)</u>	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	540,830		495,878		677,581	
Interest Expense	(492,795)		(499,113)		(718,325)	
Total Nonoperating Revenue (Expense)	<u>48,035</u>		<u>(3,235)</u>		<u>(40,744)</u>	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	<u>(791,323)</u>		<u>1,070,475</u>		<u>(4,662,895)</u>	
Capital Contributions	---		---		---	
Revenue Adjustment-Extraordinary O & M	<u>---</u>		<u>5,100,000</u>		<u>---</u>	
Change in Net Assets	<u>(791,323)</u>		<u>6,170,475</u>		<u>(4,662,895)</u>	
Beginning Net Assets	<u>162,798,658</u>		<u>162,798,658</u>		<u>159,408,925</u>	
Ending Net Assets	<u>\$162,007,335</u>		<u>\$168,969,133</u>		<u>\$154,746,030</u>	
Percent to Total Income Before Revenue Adj	(2.6)		3.3		(19.8)	
Percent to Total Income After Revenue Adj	(2.6)		18.7		(19.8)	
Debt Service Coverage Before Transfers	0.95		1.37		0.20	
Debt Service Coverage After Transfers	0.95		2.47		0.20	

\* MPW Joined MISO September 1, 2009.

**Muscatine Power and Water - Electric Utility**  
**Statements of Net Assets**  
**April 2010**

**ASSETS**

	<u>2010</u>	<u>2009</u>
<b>Current Assets:</b>		
<b><u>Restricted</u></b>		
Cash - interest bearing	\$145,484	\$2,127,366
Investments	<u>20,363,905</u>	<u>33,632,274</u>
<b>Total Restricted Current Assets</b>	<b><u>20,509,389</u></b>	<b><u>35,759,640</u></b>
<b><u>Unrestricted</u></b>		
Cash - interest bearing	5,126,728	1,898,619
Investments	<u>10,290,620</u>	<u>2,030,000</u>
<b>Receivables:</b>		
Consumer Accounts	4,120,792	4,305,802
Wholesale	665,642	595,012
Steam Sales	1,150,498	1,684,726
Interest	603,421	788,540
Intercompanies	8,465	23,369
Other	---	268,864
Inventories	6,629,659	6,734,205
Fuel	8,065,791	7,591,029
Prepaid Expenses	<u>1,017,678</u>	<u>985,032</u>
<b>Total Unrestricted Current Assets</b>	<b><u>37,679,294</u></b>	<b><u>26,905,198</u></b>
<b>Total Current Assets</b>	<b><u>58,188,683</u></b>	<b><u>62,664,838</u></b>
<b>Property and Equipment:</b>		
At Cost	404,556,631	403,590,056
Less Accumulated Depreciation	<u>282,528,165</u>	<u>269,365,743</u>
<b>Net Property and Equipment</b>	<b><u>122,028,466</u></b>	<b><u>134,224,313</u></b>
<b>Other Assets:</b>		
Unamortized Cost of Issuing Bonds	18,188	62,722
Note Receivable - Communications Utility	35,327,000	35,327,000
Joint Venture Rights	<u>201,350</u>	<u>199,520</u>
<b>Total Other Assets</b>	<b><u>35,546,538</u></b>	<b><u>35,589,242</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$215,763,687</u></b>	<b><u>\$232,478,393</u></b>

**Muscatine Power and Water - Electric Utility**  
**Statements of Net Assets**  
**April 2010**

**LIABILITIES AND NET ASSETS**

	<u>2010</u>	<u>2009</u>
<b>Current Liabilities:</b>		
<b><u>Restricted</u></b>		
2001 Revenue Bonds - Plus Unamortized Premium of \$50,804 in 2010 and \$51,354 in 2009; and Less Deferred Amount on Refunding of \$45,756 in 2010 and \$43,373 in 2009	12,590,048	11,937,981
Accrued Interest	<u>474,008</u>	<u>692,725</u>
Total Restricted Current Liabilities	<u>13,064,056</u>	<u>12,630,706</u>
<b><u>Unrestricted</u></b>		
Accounts Payable	1,562,128	3,135,461
Pension Provision	568,140	448,372
Health & Dental Insurance Provision	216,660	192,660
Accrued Payroll	627,782	540,580
Accrued Vacation	1,130,444	1,074,367
Accrued Emission Allowance Expense	352,143	1,225,581
Consumers' Deposits	611,212	646,154
Retained Percentage on Contracts	--	72,263
Accrued Property Taxes	82,486	83,080
Miscellaneous Accrued Expenses	527,607	592,625
Miscellaneous Deferred Credits	<u>86,050</u>	<u>119,250</u>
Total Unrestricted Current Liabilities	<u>5,764,652</u>	<u>8,130,393</u>
Total Current Liabilities	<u>18,828,708</u>	<u>20,761,099</u>
<b>Non-Current Liabilities:</b>		
Health & Dental Insurance Provision	1,886,066	1,778,981
Long-Term Debt - Less Current Portion:		
2001 Revenue Bonds - Plus Unamortized Premium of \$127,237 in 2010 and \$341,504 in 2009; and less Deferred Amount on Refunding of \$120,619 in 2010 and \$307,386 in 2009	<u>13,276,618</u>	<u>25,889,119</u>
Total Non-Current Liabilities	<u>15,162,684</u>	<u>27,668,100</u>
<b>Deferred Revenue - Extraordinary O &amp; M</b>	<u>12,803,162</u>	<u>29,303,164</u>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	96,224,521	96,529,445
Restricted	20,035,381	35,066,915
Unrestricted	<u>52,709,231</u>	<u>23,149,670</u>
Total Net Assets	<u>168,969,133</u>	<u>154,746,030</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$215,763,687</u></u>	<u><u>\$232,478,393</u></u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**April 2010**

	<b>Current Month</b>	<b>Year- To-Date</b>
<b>Cash flows from operating activities:</b>		
Cash received from:		
Retail electric sales	\$3,405,193	\$13,570,867
MISO, net sales/purchases	1,403,397	6,132,771
Steam sales	926,022	3,557,336
Coal & transportation allowances	15,873	200,472
Railcar leasing	35,181	73,369
By-product sales	1,461	29,029
Miscellaneous sources	28,246	221,295
Cash paid to/for:		
Suppliers	(766,529)	(3,120,281)
Coal	(2,121,211)	(3,596,728)
Employees payroll, taxes and benefits	<u>(1,550,110)</u>	<u>(6,457,107)</u>
Net cash flows from operating activities	<u>1,377,523</u>	<u>10,611,023</u>
<b>Cash flows from capital and related financing activities:</b>		
Capital expenditures, net	(190,068)	(715,027)
Bond principal payments	---	(11,930,000)
Bond interest payments	---	<u>(1,039,088)</u>
Net cash flows from capital and related financing activities	<u>(190,068)</u>	<u>(13,684,115)</u>
<b>Cash flows from investing activities:</b>		
Purchase of joint venture rights	—	(16,865)
Interest received on investments and note receivable	11,229	370,121
Accrued Interest Purchased	—	(31,590)
Amortization/accretion of investments	(386)	(2,336)
Mark to market	<u>(40,102)</u>	<u>(108,243)</u>
Net cash flows from investing activities	<u>(29,259)</u>	<u>211,087</u>
Net increase (decrease) in cash and investments	<u>1,158,196</u>	<u>(2,862,005)</u>
Cash and investments at beginning of period	<u>34,768,541</u>	<u>38,788,742</u>
Cash and investments at end of period	<u>\$35,926,737</u>	<u>\$35,926,737</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**April 2010**

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
<b>Reconciliation of operating income (loss) to net cash flows from operating activities</b>		
Operating income (loss)	(\$238,608)	\$1,073,710
<b>Noncash items in operating income:</b>		
Depreciation of electric utility plant	1,186,227	4,744,908
Amortization of joint venture rights	(8,283)	13,026
<b>Changes in assets and liabilities:</b>		
Consumer accounts receivable	34,420	207,011
Wholesale receivable	704,352	460,372
Steam sales receivable	9,424	(246,850)
Intercompany receivable	14,182	4,149
Inventories	(53,379)	1,401,174
Fuel	(1,317,986)	3,799,088
Prepaid expenses	24,046	(504,197)
Accounts payable	712,236	244,941
Pension provision	142,035	568,140
Health & dental insurance provision	(42,138)	(107,218)
Accrued payroll	160,082	398,011
Accrued vacation	(3,567)	116,324
Accrued emission allowance expense	41,438	(1,346,986)
Consumers' deposits	4,426	(9,251)
Retained percentage	---	---
Accrued property taxes	8,326	(13,797)
Miscellaneous accrued expenses	290	(191,532)
Miscellaneous deferred credits	---	---
 Net cash flows from operating activities	 <u><u>\$1,377,523</u></u>	 <u><u>\$10,611,023</u></u>

**Muscatine Power and Water - Electric Utility  
Funds Appropriated for Specific Purposes  
April 2010**

	<u>This Year</u>	<u>Last Year</u>
Rate Stabilization Fund	---	\$5,980,078
Bond Reserve Fund	7,462,265	—
Extraordinary Operation & Maintenance Account	<u>13,047,124</u>	<u>29,779,562</u>
 Total Cash and Investments Appropriated for Specific Purposes	 <u>\$20,509,389</u>	 <u>\$35,759,640</u>

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - April 2010**

<u>Generation</u>	<u>Budget</u>	<u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
Operation Supervision	\$83,934		\$78,202	\$79,680
Fuel:				
Coal	1,948,957		1,422,000	1,312,220
Fuel Oil	11,000		18,941	17,490
Gas	32,580		13,034	16,382
Coal Handling Expense	64,119		61,540	57,244
Landfill Operation Expense	7,519		8,652	9,468
Emissions Allowance Expense	111,980		41,438	44,930
Steam Expense:				
Boiler	144,122		102,870	151,634
Pollution Control	100,492		39,423	38,781
Electric Expense	101,643		94,405	95,969
Miscellaneous Steam Power Expense	122,655		102,140	97,589
Maintenance:				
Supervision	78,821		83,854	77,644
Structures	55,487		56,105	81,686
Boiler Plant:				
Boiler	133,772		157,748	316,487
Pollution Control	17,638		60,719	33,510
Electric Plant	49,129		40,743	186,324
System Control	25,268		21,309	16,993
Miscellaneous Steam Plant	56,317		53,480	67,102
Coal Handling Equipment	106,499		71,520	74,625
Purchased Power	1,620,092		2,022,567	229,120 *
Wholesale Sales Commission	---		---	24,057
System Control and Load Dispatch	71,447		80,428	19,842
Vacation, Holiday, Sick Leave	108,475		113,745	103,043
Depreciation	<u>885,000</u>		<u>885,239</u>	<u>877,564</u>
Total Generation Expense	<u>5,936,946</u>	81.5	<u>5,630,102</u>	80.4
			<u>4,029,384</u>	85.3
 <u>Transmission</u>				
Operation Supervision	3,888		3,857	4,052
Load Dispatching	7,743		8,164	7,484
Station Expense	9,081		6,535	9,711
Overhead Line Expense	175		138	323
Transmission of Electricity by Others	---		---	13,341
Miscellaneous Transmission Expense	33,343		8,475	5,760
Maintenance:				
Supervision	1,974		1,849	1,655
Structures	1,048		---	3
Station Equipment	8,093		6,170	6,433
Overhead Lines	4,825		11,566	1,349
Vacation, Holiday, Sick Leave	5,975		6,277	5,265
Depreciation	30,628		30,568	30,535
Tax on Rural Property	<u>5,942</u>		<u>5,942</u>	<u>5,939</u>
Total Transmission Expense	<u>\$112,715</u>	1.5	<u>\$89,541</u>	1.3
			<u>\$91,850</u>	1.9

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - April 2010**

<u>Generation</u>	<u>Budget</u>				
	<u>Estimate</u>	<u>This Year</u>		<u>Last Year</u>	
Operation Supervision	\$342,807	\$337,430		\$325,346	
Fuel:					
Coal	7,442,730	7,345,683		6,545,420	
Fuel Oil	41,110	30,271		73,196	
Gas	127,320	36,406		235,085	
Coal Handling Expense	239,251	251,965		263,948	
Landfill Operation Expense	20,398	12,652		20,151	
Emissions Allowance Expense	447,921	352,143		1,225,581	
Steam Expense:					
Boiler	452,048	445,101		457,339	
Pollution Control	254,936	154,625		104,396	
Electric Expense	402,301	372,958		375,467	
Miscellaneous Steam Power Expense	466,883	440,206		418,869	
Maintenance:					
Supervision	320,073	339,142		305,841	
Structures	378,436	203,192		324,876	
Boiler Plant:					
Boiler	648,588	516,295		1,333,399	
Pollution Control	78,668	160,651		333,838	
Electric Plant	177,876	164,855		1,822,946	
System Control	78,321	53,015		65,460	
Miscellaneous Steam Plant	240,874	218,233		248,800	
Coal Handling Equipment	449,160	360,863		455,467	
Purchased Power	6,753,272	8,989,330		2,228,761 *	
Wholesale Sales Commission	---	---		223,313	
System Control and Load Dispatch	295,881	341,379		194,916	
Vacation, Holiday, Sick Leave	369,051	386,380		358,768	
Depreciation	<u>3,539,999</u>	<u>3,540,956</u>		<u>3,510,256</u>	
 Total Generation Expense	 <u>23,567,904</u>	 80.2	 <u>25,053,731</u>	 77.1	 <u>21,451,439</u> 93.8
 <u>Transmission</u>					
Operation Supervision	15,561	15,667		16,450	
Load Dispatching	30,092	31,064		32,582	
Station Expense	33,312	35,735		33,073	
Overhead Line Expense	286	1,176		419	
Transmission of Electricity by Others	---	---		98,559	
Miscellaneous Transmission Expense	106,871	42,966		25,996	
Maintenance:					
Supervision	7,906	7,248		7,498	
Structures	1,693	211		3	
Station Equipment	31,265	31,089		29,267	
Overhead Lines	19,298	55,077		20,001	
Vacation, Holiday, Sick Leave	20,258	23,346		19,081	
Depreciation	122,512	122,272		122,140	
Tax on Rural Property	<u>23,768</u>	<u>23,910</u>		<u>23,787</u>	
 Total Transmission Expense	 <u>\$412,822</u>	 1.4	 <u>\$389,761</u>	 1.2	 <u>\$428,856</u> 1.9

\* MPW Joined MISO September 1, 2009.

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - April 2010**

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>
	<u>Estimate</u>		<u></u>		<u></u>
<b><u>Distribution</u></b>					
Operation Supervision	\$10,764		\$12,567		\$12,221
Load Dispatching	7,854		8,060		7,437
Station Expense	9,212		9,446		5,611
Overhead Line Expense	2,646		822		3,938
Vehicle Expense	14,318		15,154		10,290
Underground Line Expense	3,218		3,922		2,915
Street Lighting	2,071		2,857		679
Signal Expense	871		5,230		355
Meter Expense	9,301		10,410		9,763
Consumer Installation Expense	1,352		946		1,176
Miscellaneous Distribution Expense	66,474		60,525		61,820
Maintenance:					
Supervision	9,986		10,947		10,902
Structures	1,078		—		—
Station Equipment	11,893		17,855		11,212
Overhead Lines	52,453		55,170		44,087
Underground Lines	8,368		8,881		3,070
Line Transformers	4,023		8,748		6,556
Street Lighting	3,247		7,955		2,538
Signal System	2,041		2,532		2,727
Meters	400		750		—
Miscellaneous Distribution Plant	2,584		4,738		1,507
Vacation, Holiday, Sick Leave	32,457		34,417		31,624
Depreciation	147,816		146,484		143,739
Tax on Rural Property	<u>1,775</u>		<u>1,775</u>		<u>1,774</u>
 Total Distribution Expense	 <u>406,202</u>	 5.6	 <u>430,191</u>	 6.1	 <u>375,941</u> 8.0
 <b><u>Customer Service Expense</u></b>	 	 	 	 	 
Customer Information Expense	43,572		23,056		27,365
Electric Ranges/Dryers-Maint/Promotion	1,277		1,764		1,539
Electric Water Heaters-Maint/Promotion	<u>1,783</u>		<u>1,654</u>		<u>2,957</u>
 Total Customer Service Expense	 <u>\$46,632</u>	 0.6	 <u>\$26,474</u>	 0.4	 <u>\$31,861</u> 0.7

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - April 2010**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<b><u>Distribution</u></b>					
Operation Supervision	\$43,078		\$48,841		\$48,812
Load Dispatching	30,511		30,655		32,408
Station Expense	32,250		34,019		24,745
Overhead Line Expense	12,785		3,776		14,133
Vehicle Expense	57,310		61,318		50,768
Underground Line Expense	13,011		10,006		9,906
Street Lighting	7,985		10,252		7,356
Signal Expense	3,244		6,319		1,262
Meter Expense	37,324		38,280		33,996
Consumer Installation Expense	5,384		5,537		4,929
Miscellaneous Distribution Expense	275,379		259,846		256,590
<b>Maintenance:</b>					
Supervision	39,973		42,791		43,688
Structures	2,112		---		---
Station Equipment	44,090		47,032		46,438
Overhead Lines	228,862		228,490		190,191
Underground Lines	34,042		18,811		30,773
Line Transformers	16,240		26,528		13,827
Street Lighting	12,987		21,628		14,032
Signal System	12,115		8,657		9,529
Meters	1,500		750		---
Miscellaneous Distribution Plant	11,135		11,059		9,049
Vacation, Holiday, Sick Leave	109,532		119,797		109,137
Depreciation	591,264		585,936		574,956
Tax on Rural Property	7,100		7,130		7,126
 Total Distribution Expense	 1,629,213	 5.5	 1,627,458	 5.0	 1,533,651
 <b><u>Customer Service Expense</u></b>	 	 	 	 	 
Customer Information Expense	168,916		68,014		93,982
Electric Ranges/Dryers-Maint/Promotion	5,441		5,450		4,618
Electric Water Heaters-Maint/Promotion	7,166		4,609		6,122
 Total Customer Service Expense	 \$181,523	 0.6	 \$78,073	 0.2	 \$104,722
					0.5

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - April 2010**

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<b><u>Consumer Accounts</u></b>			
Supervision	\$1,903	\$2,202	\$2,036
Meter Reading Expense	8,197	7,924	7,691
Consumer Records and Collection	30,512	32,898	29,564
Uncollectible Accounts Expense	1,834	1,834	1,392
Vacation, Holiday, Sick Leave	<u>4,463</u>	<u>4,557</u>	<u>4,566</u>
 Total Consumer Accounts Expense	 <u>46,909</u>	 0.6	 45,249
	 <u>49,415</u>	 0.7	 1.0
<b><u>Administrative and General</u></b>			
Administrative and General Salaries	165,401	166,738	155,589
Office Supplies and Expenses	22,975	13,113	15,511
Outside Services Employed	60,944	63,044	23,633
Property Insurance	43,440	41,012	41,006
Casualty Ins, Injuries & Damages	37,906	41,192	41,499
Employee Pensions and Benefits	478,345	464,751	453,759
Fringe Benefits Charged to Constr.	(17,995)	(14,956)	(21,626)
Regulatory Commission	4,400	4,400	4,350
Miscellaneous General Expense	44,406	36,710	54,016
Maintenance of General Plant	26,409	22,987	16,702
Maintenance of A/O Center	40,348	26,535	28,988
Vacation, Holiday, Sick Leave	34,385	30,277	28,711
Depreciation	<u>128,041</u>	<u>123,936</u>	<u>124,042</u>
 Total Administrative and General	 <u>1,069,005</u>	 14.7	 966,180
	 <u>1,019,739</u>	 14.6	 20.5
 Total Operating Expense	 <u>\$7,618,409</u>	 <u>\$7,245,462</u>	 <u>\$5,540,465</u>
 Percent to Operating Revenue	 104.6	 103.4	 117.3

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - April 2010**

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<b><u>Consumer Accounts</u></b>					
Supervision	\$7,612		\$7,970		\$7,509
Meter Reading Expense	30,622		34,393		32,866
Consumer Records and Collection	122,338		123,684		116,616
Uncollectible Accounts Expense	7,336		7,336		5,567
Vacation, Holiday, Sick Leave	<u>14,824</u>		<u>15,230</u>		<u>14,903</u>
 Total Consumer Accounts Expense	 <u>182,732</u>	 0.6	 <u>188,613</u>	 0.6	 <u>177,461</u> 0.8
 <b><u>Administrative and General</u></b>					
Administrative and General Salaries	664,755		640,801		624,448
Office Supplies and Expenses	89,473		56,025		70,944
Outside Services Employed	266,754		309,347		186,364
Property Insurance	166,458		164,031		141,340
Casualty Ins, Injuries & Damages	151,172		137,390		112,121
Employee Pensions and Benefits	1,897,961		1,874,140		1,772,055
Fringe Benefits Charged to Constr.	(59,906)		(46,540)		(63,577)
Regulatory Commission	17,600		31,598		17,550
Miscellaneous General Expense	211,869		110,754		142,572
Maintenance of General Plant	105,402		94,497		73,569
Maintenance of A/O Center	108,989		99,884		116,555
Vacation, Holiday, Sick Leave	117,115		112,344		106,752
Depreciation	<u>512,165</u>		<u>495,744</u>		<u>496,168</u>
 Total Administrative and General	 <u>4,249,807</u>	 14.5	 <u>4,080,015</u>	 12.6	 <u>3,796,861</u> 16.6
 Total Operating Expense	 <u>\$30,224,001</u>		 <u>\$31,417,651</u>		 <u>\$27,492,990</u>
 Percent to Operating Revenue		102.9		96.7	
					120.2

**Muscatine Power and Water - Electric Utility**  
**Statistical Data**  
**April 2010**

**Per KWH Delivered to Wholesale Customers**

	<u>Current Month</u> <u>Budget</u>	<u>Current Month</u> <u>Actual</u>	<u>Year-To-Date</u> <u>Budget</u>	<u>Year-To-Date</u> <u>Actual</u>
Wholesale Sales KWHs	116,079,512	71,327,538	466,331,699	417,825,620
Wholesale Sales	\$0.02500	\$0.03709	\$0.02500	\$0.03553
Less:				
Generation	0.03198	0.04230	0.03103	0.03292
Transmission	0.00097	0.00126	0.00089	0.00093
Subtotal	0.03295	0.04356	0.03192	0.03385
Wholesale Margin	(\$0.00795)	(\$0.00647)	(\$0.00692)	\$0.00168

**Per KWH Delivered to Paying Native System Customers**

	<u>Current Month</u> <u>Budget</u>	<u>Current Month</u> <u>Actual</u>	<u>Year-To-Date</u> <u>Budget</u>	<u>Year-To-Date</u> <u>Actual</u>
Native System Sales KWHs	62,974,160	66,769,480	260,827,318	268,473,037
Native System Sales	\$0.05112	\$0.04958	\$0.05100	\$0.05021
Less:				
Purchased Power	0.02573	0.03029	0.02589	0.03348
Distribution	0.00645	0.00644	0.00625	0.00606
Customer Service	0.00074	0.00040	0.00070	0.00029
Consumers Accounts	0.00074	0.00074	0.00070	0.00070
Administrative & General	0.01698	0.01527	0.01629	0.01520
Subtotal	0.05064	0.05314	0.04983	0.05574
Native System Margin	0.00049	(0.00356)	0.00118	(0.00553)
Wholesale Margin	(0.01466)	(0.00690)	(0.01236)	0.00262
Net Electric Margin before Steam Sales	(\$0.01417)	(\$0.01046)	(\$0.01119)	(\$0.00291)
Net Electric Margin after Steam Sales	(\$0.00758)	(\$0.00471)	(\$0.00474)	\$0.00286

**Total Fuel Cost**  
**(To & Including Ash Handling)**

	<u>Current Month</u>		<u>Calendar Year-To-Date</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Per Million Btu.	\$1.420	\$1.430	\$1.330	\$1.435
Per Net MW Generated	\$15.55	\$16.33	\$14.65	\$16.23
Net Peak Monthly Demand - KW	113,500	113,000	115,800	122,000
Date of Peak	4/14	4/1	2/24	1/15
Average Temperature	58°	51°		
<b>Services</b>	<b>2010</b>	<b>2009</b>		
Residential	9,666	9,652		
Commercial I	1,390	1,371		
Commercial II	118	118		
Industrial I	11	11		
Industrial II	2	2		
City Enterprise Funds	22	22		
Water & Communications Utility	39	39		
Total	11,248	11,215		

**Muscatine Power and Water - Electric Utility**  
**Wholesale Sales Analysis**  
**Current Month - April 2010**

	<u>Budget Estimate</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year*****</u>	<u>\$/kWh</u>
<b><u>Wholesale kWh Sales</u></b>	<b><u>116,079,512</u></b>		<b><u>71,327,538</u></b>		<b><u>18,704,000</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$2,901,988</u></b>	<b><u>\$0.0250</u></b>	<b><u>\$2,645,528</u></b>	<b><u>\$0.0371</u></b>	<b><u>\$530,642</u></b>	<b><u>\$0.0284</u></b>
<b><u>Variable Costs</u></b>						
Marketers' Commissions	—	0.0000	—	0.0000	24,057	0.0013
Transmission Path	—	0.0000	—	0.0000	13,341	0.0007
Fuel (Coal, Gas & Fuel Oil)	1,595,276	0.0137	1,024,750	0.0144	249,202	0.0133
SO <sup>2</sup> Allowances*	2,880	0.0000	1,910	0.0000	720	0.0000
NO <sub>x</sub> Allowances**	97,000	0.0008	35,438	0.0005	18,013	0.0010
Other***	<u>293,341</u>	<u>0.0025</u>	<u>296,229</u>	<u>0.0042</u>	<u>74,664</u>	<u>0.0040</u>
Total Variable Costs	<u>1,988,497</u>	<u>0.0171</u>	<u>1,358,327</u>	<u>0.0190</u>	<u>379,997</u>	<u>0.0203</u>
<b><u>Gross Margin</u></b>	<b><u>\$913,491</u></b>	<b><u>\$0.0079</u></b>	<b><u>\$1,287,201</u></b>	<b><u>\$0.0180</u></b>	<b><u>\$150,645</u></b>	<b><u>\$0.0081</u></b>
Percent Gross Margin	31.5%		48.7%		28.4%	

**Calendar Year To Date**

	<u>Budget Estimate</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year*****</u>	<u>\$/kWh</u>
<b><u>Wholesale kWh Sales</u></b>	<b><u>466,331,699</u></b>		<b><u>417,825,620</u></b>		<b><u>124,246,000</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$11,658,285</u></b>	<b><u>\$0.0250</u></b>	<b><u>\$14,845,169</u></b>	<b><u>\$0.0355</u></b>	<b><u>\$4,424,322</u></b>	<b><u>\$0.0356</u></b>
<b><u>Variable Costs</u></b>						
Marketers' Commissions	---	0.0000	—	0.0000	223,313	0.0018
Transmission Path	—	0.0000	—	0.0000	98,559	0.0008
Fuel (Coal, Gas & Fuel Oil)	6,102,924	0.0131	5,778,215	0.0138	1,855,794	0.0149
SO <sup>2</sup> Allowances*	11,538	0.0000	15,916	0.0000	25,360	0.0002
NO <sub>x</sub> Allowances****	388,574	0.0008	391,591	0.0009	518,492	0.0042
Other***	<u>1,173,364</u>	<u>0.0025</u>	<u>1,184,916</u>	<u>0.0028</u>	<u>435,606</u>	<u>0.0035</u>
Total Variable Costs	<u>7,676,400</u>	<u>0.0165</u>	<u>7,370,638</u>	<u>0.0176</u>	<u>3,157,124</u>	<u>0.0254</u>
<b><u>Gross Margin</u></b>	<b><u>\$3,981,885</u></b>	<b><u>\$0.0085</u></b>	<b><u>\$7,474,531</u></b>	<b><u>\$0.0179</u></b>	<b><u>\$1,267,198</u></b>	<b><u>\$0.0102</u></b>
Percent Gross Margin	34.2%		50.3%		28.6%	

\*SO<sup>2</sup> Allowance cost is based on budgeted/actual market price for allowances (budget = \$80, 2010 = \$56, & 2009 = \$157).

\*\*NO<sub>x</sub> Allowance cost is based on budgeted/actual market price for allowances (budget = \$1,000, 2010 = \$390, & 2009 = \$1,100).

\*\*\*Other includes variable generation O&M, rail car cost, and Title V permit fees.

\*\*\*\*YTD NO<sub>x</sub> Allowance cost is based on budgeted/actual market price for allowances (budget = \$1,000, 2010 = \$627, & 2009 = \$2,466).