

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>
<u>KWH Generated and Sold</u>					
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>
<u>KWH Distribution</u>					
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

<u>STEAM SALES - 1000 lbs</u>	<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>
<u>KWH Generated and Sold</u>					
Gross Generation	516,829,552	(10.4)	463,198,960	16.5	397,457,723
Less: Plant Use	<u>50,497,853</u>	<u>(10.1)</u>	<u>45,373,340</u>	<u>14.2</u>	<u>39,716,394</u>
Net Generation	<u>466,331,699</u>	<u>(10.4)</u>	<u>417,825,620</u>	<u>16.8</u>	<u>357,741,329</u>
Wholesale Sales	<u>466,331,699</u>	<u>(10.4)</u>	<u>417,825,620</u>	<u>---</u>	<u>124,246,000 *</u>
<u>KWH Distribution</u>					
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>	<u>6.1</u>	<u>5,552,714</u>	<u>(0.5)</u>	<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>	<u>(33.5)</u>	<u>4,270,849</u>	<u>(13.9)</u>	<u>4,961,933</u>
Total Native System KWH Distributed	<u>270,130,846</u>	<u>2.1</u>	<u>275,887,849</u>	<u>(2.0)</u>	<u>281,553,329</u>
Purchased Power	<u>270,130,846</u>	<u>2.1</u>	<u>275,887,849</u>	<u>---</u>	<u>48,058,000 *</u>

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

<u>STEAM SALES - 1000 lbs</u>	<u>993,600</u>	<u>(0.6)</u>	<u>987,626</u>	<u>5.5</u>	<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

	Budget Estimate	Avg. Price	This Year	Avg. Price	Last Year	Avg. Price
<u>Sales of Electricity</u>						
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	
<u>Steam Sales</u>	1,019,566	4.10	974,387	3.91	808,680	4.13
<u>Other Revenue</u>						
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	
<u>Operating Expense</u>						
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)	
<u>Nonoperating Revenue (Expense)</u>						
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	
Net Loss Before Revenue Adjustment and Capital Contributions	(326,515)		(243,831)		(807,508)	
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	
Ending Net Assets	\$161,984,209		\$168,969,133		\$154,746,030	
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	

* MPW Joined MISO September 1, 2009.

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 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	\$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	13,303,165	0.0510	13,479,723	0.0502	13,702,928	0.0501
Wholesale Sales	11,658,285	0.0250	14,845,169	0.0355	4,424,322 *	0.0356
Energy Sales	24,961,450		28,324,892		18,127,250	
<u>Steam Sales</u>	4,026,395	4.05	3,861,047	3.91	4,513,201	4.82
<u>Other Revenue</u>						
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	396,798		305,422		230,388	
Operating Revenue	29,384,643		32,491,361		22,870,839	
<u>Operating Expense</u>						
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	30,224,001		31,417,651		27,492,990	
Operating Income (Loss)	(839,358)		1,073,710		(4,622,151)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	540,830		495,878		677,581	
Interest Expense	(492,795)		(499,113)		(718,325)	
Total Nonoperating Revenue (Expense)	48,035		(3,235)		(40,744)	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(791,323)		1,070,475		(4,662,895)	
Capital Contributions	---		---		---	
Revenue Adjustment-Extraordinary O & M	---		5,100,000		---	
Change in Net Assets	(791,323)		6,170,475		(4,662,895)	
Beginning Net Assets	162,798,658		162,798,658		159,408,925	
Ending Net Assets	\$162,007,335		\$168,969,133		\$154,746,030	
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>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$145,484	\$2,127,366
Investments	20,363,905	33,632,274
	<hr/>	<hr/>
Total Restricted Current Assets	20,509,389	35,759,640
	<hr/>	<hr/>
<u>Unrestricted</u>		
Cash - interest bearing	5,126,728	1,898,619
Investments	10,290,620	2,030,000
Receivables:		
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	1,017,678	985,032
	<hr/>	<hr/>
Total Unrestricted Current Assets	37,679,294	26,905,198
	<hr/>	<hr/>
Total Current Assets	58,188,683	62,664,838
	<hr/>	<hr/>
Property and Equipment:		
At Cost	404,556,631	403,590,056
Less Accumulated Depreciation	282,528,165	269,365,743
	<hr/>	<hr/>
Net Property and Equipment	122,028,466	134,224,313
	<hr/>	<hr/>
Other Assets:		
Unamortized Cost of Issuing Bonds	18,188	62,722
Note Receivable - Communications Utility	35,327,000	35,327,000
Joint Venture Rights	201,350	199,520
	<hr/>	<hr/>
Total Other Assets	35,546,538	35,589,242
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$215,763,687</u>	<u>\$232,478,393</u>

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

LIABILITIES AND NET ASSETS

	<u>2010</u>	<u>2009</u>
Current Liabilities:		
<u>Restricted</u>		
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	474,008	692,725
Total Restricted Current Liabilities	<u>13,064,056</u>	<u>12,630,706</u>
<u>Unrestricted</u>		
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	86,050	119,250
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>
Non-Current Liabilities:		
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	13,276,618	25,889,119
Total Non-Current Liabilities	<u>15,162,684</u>	<u>27,668,100</u>
Deferred Revenue - Extraordinary O & M	<u>12,803,162</u>	<u>29,303,164</u>
Net Assets:		
Invested in capital assets, net of related debt		
Restricted	96,224,521	96,529,445
Unrestricted	20,035,381	35,066,915
	<u>52,709,231</u>	<u>23,149,670</u>
Total Net Assets	<u>168,969,133</u>	<u>154,746,030</u>
TOTAL LIABILITIES AND NET ASSETS	<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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
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	(1,550,110)	(6,457,107)
Net cash flows from operating activities	<u>1,377,523</u>	<u>10,611,023</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(190,068)	(715,027)
Bond principal payments	---	(11,930,000)
Bond interest payments	---	(1,039,088)
Net cash flows from capital and related financing activities	<u>(190,068)</u>	<u>(13,684,115)</u>
Cash flows from investing activities:		
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	(40,102)	(108,243)
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><u>\$35,926,737</u></u>	<u><u>\$35,926,737</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	(\$238,608)	\$1,073,710
Noncash items in operating income:		
Depreciation of electric utility plant	1,186,227	4,744,908
Amortization of joint venture rights	(8,283)	13,026
Changes in assets and liabilities:		
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>\$1,377,523</u>	<u>\$10,611,023</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><u>\$20,509,389</u></u>	 <u><u>\$35,759,640</u></u>

Muscatine Power and Water - Electric Utility

Summary of Expenses

Current Month - April 2010

Generation	Budget Estimate		This Year		Last Year	
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	885,000		885,239		877,564	
Total Generation Expense	5,936,946	81.5	5,630,102	80.4	4,029,384	85.3
Transmission						
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	5,942		5,942		5,939	
Total Transmission Expense	\$112,715	1.5	\$89,541	1.3	\$91,850	1.9

* MPW Joined MISO September 1, 2009.

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	3,539,999		3,540,956		3,510,256	
Total Generation Expense	23,567,904	80.2	25,053,731	77.1	21,451,439	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	23,768		23,910		23,787	
Total Transmission Expense	\$412,822	1.4	\$389,761	1.2	\$428,856	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>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Distribution</u>						
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	1,775		1,775		1,774	
Total Distribution Expense	406,202	5.6	430,191	6.1	375,941	8.0
<u>Customer Service Expense</u>						
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	1,783		1,654		2,957	
Total Customer Service Expense	\$46,632	0.6	\$26,474	0.4	\$31,861	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>	
<u>Distribution</u>						
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	
Maintenance:						
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	<u>1,629,213</u>	5.5	<u>1,627,458</u>	5.0	<u>1,533,651</u>	6.7
<u>Customer Service Expense</u>						
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	<u>\$181,523</u>	0.6	<u>\$78,073</u>	0.2	<u>\$104,722</u>	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>	
<u>Consumer Accounts</u>						
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	4,463		4,557		4,566	
Total Consumer Accounts Expense	46,909	0.6	49,415	0.7	45,249	1.0
<u>Administrative and General</u>						
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	128,041		123,936		124,042	
Total Administrative and General	1,069,005	14.7	1,019,739	14.6	966,180	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</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Consumer Accounts</u>						
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	14,824		15,230		14,903	
	<hr/>		<hr/>		<hr/>	
Total Consumer Accounts Expense	182,732	0.6	188,613	0.6	177,461	0.8
	<hr/>		<hr/>		<hr/>	
<u>Administrative and General</u>						
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	512,165		495,744		496,168	
	<hr/>		<hr/>		<hr/>	
Total Administrative and General	4,249,807	14.5	4,080,015	12.6	3,796,861	16.6
	<hr/>		<hr/>		<hr/>	
Total Operating Expense	<u>\$30,224,001</u>		<u>\$31,417,651</u>		<u>\$27,492,990</u>	
	<hr/>		<hr/>		<hr/>	
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

	Current Month <u>Budget</u>	Current Month <u>Actual</u>	Year-To-Date <u>Budget</u>	Year-To-Date <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	<u>(\$0.00795)</u>	<u>(\$0.00647)</u>	<u>(\$0.00692)</u>	<u>\$0.00168</u>

Per KWH Delivered to Paying Native System Customers

	Current Month <u>Budget</u>	Current Month <u>Actual</u>	Year-To-Date <u>Budget</u>	Year-To-Date <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	<u>(0.01466)</u>	<u>(0.00690)</u>	<u>(0.01236)</u>	<u>0.00262</u>
Net Electric Margin before Steam Sales	<u>(\$0.01417)</u>	<u>(\$0.01046)</u>	<u>(\$0.01119)</u>	<u>(\$0.00291)</u>
Net Electric Margin after Steam Sales	<u>(\$0.00758)</u>	<u>(\$0.00471)</u>	<u>(\$0.00474)</u>	<u>\$0.00286</u>

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°		
Services	<u>2010</u>	<u>2009</u>		
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	<u>11,248</u>	<u>11,215</u>		

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

	<u>Budget</u> <u>Estimate</u>	<u>\$/kWh</u>	<u>This</u> <u>Year</u>	<u>\$/kWh</u>	<u>Last</u> <u>Year*****</u>	<u>\$/kWh</u>
<u>Wholesale kWh Sales</u>	<u>116,079,512</u>		<u>71,327,538</u>		<u>18,704,000</u>	
<u>Wholesale Sales</u>	<u>\$2,901,988</u>	<u>\$0.0250</u>	<u>\$2,645,528</u>	<u>\$0.0371</u>	<u>\$530,642</u>	<u>\$0.0284</u>
<u>Variable Costs</u>						
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 ² Allowances*	2,880	0.0000	1,910	0.0000	720	0.0000
NO _x 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>
Gross Margin	<u>\$913,491</u>	<u>\$0.0079</u>	<u>\$1,287,201</u>	<u>\$0.0180</u>	<u>\$150,645</u>	<u>\$0.0081</u>
Percent Gross Margin	31.5%		48.7%		28.4%	

Calendar Year To Date

	<u>Budget</u> <u>Estimate</u>	<u>\$/kWh</u>	<u>This</u> <u>Year</u>	<u>\$/kWh</u>	<u>Last</u> <u>Year*****</u>	<u>\$/kWh</u>
<u>Wholesale kWh Sales</u>	<u>466,331,699</u>		<u>417,825,620</u>		<u>124,246,000</u>	
<u>Wholesale Sales</u>	<u>\$11,658,285</u>	<u>\$0.0250</u>	<u>\$14,845,169</u>	<u>\$0.0355</u>	<u>\$4,424,322</u>	<u>\$0.0356</u>
<u>Variable Costs</u>						
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 ² Allowances*	11,538	0.0000	15,916	0.0000	25,360	0.0002
NO _x 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>
Gross Margin	<u>\$3,981,885</u>	<u>\$0.0085</u>	<u>\$7,474,531</u>	<u>\$0.0179</u>	<u>\$1,267,198</u>	<u>\$0.0102</u>
Percent Gross Margin	34.2%		50.3%		28.6%	

*SO² Allowance cost is based on budgeted/actual market price for allowances (budget = \$80, 2010 = \$56, & 2009 = \$157).

**NO_x 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_x Allowance cost is based on budgeted/actual market price for allowances (budget = \$1,000, 2010 = \$627, & 2009 = \$2,466).