

**Muscatine Power and Water
Electric Utility
Operating Statements and Balance Sheets
February 2013**

**Muscatine Power and Water
Electric Utility**

Table of Contents

	Page
Classification of Electric Energy Distribution.....	1 - 2
Statements of Revenues, Expenses, and Changes in Net Position.....	3 - 4
Statements of Net Position.....	5 - 6
Statements of Cash Flows.....	7 - 8
Funds Appropriated for Specific Purposes.....	9
Summary of Expenses.....	10 - 15
Statistical Data.....	16
Wholesale Sales Analysis.....	17

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - February 2013

	Budget Estimate	% Increase (Decrease) From Budget	This Year	% Increase (Decrease) Fr. Last Yr.	Last Year
<u>KWH Generated and Sold</u>					
Gross Generation	78,885,542	18.8	93,679,618	50.7	62,163,274
Less: Plant Use	<u>8,109,024</u>	22.5	<u>9,934,793</u>	10.6	<u>8,984,363</u>
Net Generation/Wholesale Sales	<u><u>70,776,518</u></u>	18.3	<u><u>83,744,825</u></u>	57.5	<u><u>53,178,911</u></u>
<u>Net Capacity Factors</u>					
Unit 9	50.00	33.8	66.90	76.1	38.00
Unit 8/8A	37.31	(10.5)	33.38	4.8	31.85
Unit 7	30.00	---	---	---	---
Total Plant	45.62	18.3	53.96	63.0	33.11
<u>KWH Distribution</u>					
Residential	8,985,385	(4.9)	8,548,901	7.3	7,970,932
Commercial I	3,171,070	1.3	3,211,987	7.7	2,981,340
Commercial II	8,087,495	(6.5)	7,563,372	(2.3)	7,742,013
Industrial I	8,341,089	2.7	8,567,280	5.3	8,134,040
Industrial II	34,866,275	1.9	35,524,187	(4.0)	36,990,574
City Enterprise Funds	475,779	(18.6)	387,371	5.4	367,430
Water & Communications Utilities	<u>1,250,846</u>	(6.0)	<u>1,176,274</u>	3.3	<u>1,139,195</u>
Native System Sales	65,177,939	(0.3)	64,979,372	(0.5)	65,325,524
City Lighting	164,290	(1.8)	161,297	(0.1)	161,529
City Buildings	597,137	(1.3)	589,453	9.2	539,547
Offline Power Plant Usage	—	—	217,909	38.6	157,258
Losses & Cycle Billing	<u>1,159,207</u>	(3.7)	<u>1,115,889</u>	(51.0)	<u>2,275,054</u>
Total Native System KWH					
Distributed/Purchased Power	<u><u>67,098,573</u></u>	(0.1)	<u><u>67,063,920</u></u>	(2.0)	<u><u>68,458,912</u></u>
<u>STEAM SALES - 1000 lbs</u>	<u><u>226,829</u></u>	(1.9)	<u><u>222,457</u></u>	(12.9)	<u><u>255,300</u></u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - February 2013

	Budget Estimate	% Increase (Decrease) From Budget	This Year	% Increase (Decrease) Fr. Last Yr.	Last Year
<u>KWH Generated and Sold</u>					
Gross Generation	191,940,806	(5.3)	181,792,506	50.9	120,511,240
Less: Plant Use	<u>19,135,030</u>	7.9	<u>20,645,429</u>	12.8	<u>18,305,232</u>
Net Generation/Wholesale Sales	<u>172,805,776</u>	(6.7)	<u>161,147,077</u>	57.7	<u>102,206,008</u>
<u>Net Capacity Factors</u>					
Unit 9	58.93	3.5	60.98	75.0	34.85
Unit 8/8A	39.24	(20.9)	31.02	(0.8)	31.26
Unit 7	35.25	-1.0X	---	---	---
Total Plant	52.86	(6.7)	49.30	60.3	30.76
<u>KWH Distribution</u>					
Residential	18,655,555	(4.2)	17,873,773	5.3	16,972,133
Commercial I	6,515,260	3.1	6,717,398	8.2	6,208,998
Commercial II	16,879,165	(6.2)	15,832,861	(1.3)	16,038,052
Industrial I	17,495,746	1.0	17,673,080	3.6	17,050,860
Industrial II	74,857,280	(2.5)	72,975,269	(3.8)	75,876,237
City Enterprise Funds	986,854	(17.9)	810,463	3.3	784,668
Water & Communications Utilities	<u>2,612,119</u>	(6.7)	<u>2,438,026</u>	3.9	<u>2,345,506</u>
Native System Sales	138,001,979	(2.7)	134,320,870	(0.7)	135,276,454
City Lighting	331,010	(1.0)	327,593	0.0	327,567
City Buildings	1,219,343	(0.8)	1,209,781	5.2	1,149,990
Offline Power Plant Usage	---	---	283,646	(14.3)	330,992
Losses & Cycle Billing	<u>3,491,721</u>	(5.7)	<u>3,292,950</u>	(13.4)	<u>3,801,445</u>
Total Native System KWH Distributed/Purchased Power	<u>143,044,053</u>	(2.5)	<u>139,434,840</u>	(1.0)	<u>140,886,448</u>
<u>STEAM SALES - 1000 lbs</u>	<u>483,392</u>	0.8	<u>487,114</u>	(5.9)	<u>517,726</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - February 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	\$764,462	0.0851	\$778,131	0.0910	\$665,259	0.0835
Commercial I	257,863	0.0813	261,013	0.0813	238,333	0.0799
Commercial II	503,572	0.0623	467,571	0.0618	467,863	0.0604
Industrial I	469,109	0.0562	469,428	0.0548	439,584	0.0540
Industrial II	1,687,016	0.0484	1,711,042	0.0482	1,693,646	0.0458
City Enterprise Funds	27,808	0.0584	23,757	0.0613	21,343	0.0581
Water & Communication Utilities	62,348	0.0498	60,279	0.0512	56,907	0.0500
Native System Sales	3,772,178	0.0579	3,771,221	0.0580	3,582,935	0.0548
Wholesale Sales	1,769,413	0.0250	2,230,466	0.0266	1,366,515	0.0257
Energy Sales	5,541,591		6,001,687		4,949,450	
<u>Steam Sales</u>	839,953	3.70	822,908	3.70	938,375	3.68
<u>Other Revenue</u>						
Rail Car Lease	18,167		53,690		79,458	
By-Product Revenue	20,189		6,031		5,988	
Miscellaneous Revenue	45,047		35,535		40,960	
Total Other Revenue	83,403		95,256		126,406	
Operating Revenue	6,464,947		6,919,851		6,014,231	
<u>Operating Expense</u>						
Purchased Power	1,543,267	0.0230	1,632,842	0.0243	1,539,423	0.0225
Production Fuel	1,911,916		2,166,102		1,681,449	
Emissions Allowance	5,261		6,883		7,776	
Operation	1,864,712		1,700,115		1,664,672	
Maintenance	690,724		575,671		580,131	
Depreciation	944,954		937,001		929,362	
Total Operating Expense	6,960,834		7,018,614		6,402,813	
Operating Loss	(495,887)		(98,763)		(388,582)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	110,373		104,587		108,630	
Interest Expense	(450)		(97)		(174)	
Total Nonoperating Revenue (Expense)	109,923		104,490		108,456	
Net Income (Loss) Before Revenue Adjustment	(385,964)		5,727		(280,126)	
Capital Contributions	—		11,825		—	
Change in Net Position	(385,964)		17,552		(280,126)	
Beginning Net Position	163,631,889		163,740,294		166,154,435	
Ending Net Position	\$163,245,925		\$163,757,846		\$165,874,309	
Net Loss Before Rev Adj to Op Revenue	(6.0)		0.1		(4.7)	
Change in Net Position to Operating Revenue	(6.0)		0.3		(4.7)	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - February 2013

	<u>Budget</u>	<u>Avg.</u>	<u>This</u>	<u>Avg.</u>	<u>Last</u>	<u>Avg.</u>
	<u>Estimate</u>	<u>Price</u>	<u>Year</u>	<u>Price</u>	<u>Year</u>	<u>Price</u>
<u>Sales of Electricity</u>						
Residential	\$1,576,628	0.0845	\$1,616,696	0.0905	\$1,405,313	0.0828
Commercial I	528,432	0.0811	544,446	0.0811	494,885	0.0797
Commercial II	1,037,164	0.0614	961,704	0.0607	960,292	0.0599
Industrial I	964,952	0.0552	956,843	0.0541	906,061	0.0531
Industrial II	3,544,080	0.0473	3,481,189	0.0477	3,438,616	0.0453
City Enterprise Funds	56,975	0.0577	48,185	0.0595	44,748	0.0570
Water & Communications Utilities	130,234	0.0499	124,890	0.0512	117,691	0.0502
Native System Sales	7,838,465	0.0568	7,733,953	0.0576	7,367,606	0.0545
Wholesale Sales	4,524,203	0.0262	4,109,542	0.0255	2,502,055	0.0245
Energy Sales	12,362,668		11,843,495		9,869,661	
Steam Sales	1,790,010	3.70	1,801,619	3.70	1,899,732	3.67
<u>Other Revenue</u>						
Rail Car Lease	36,333		113,132		186,600	
By-Product Revenue	50,139		10,387		10,759	
Miscellaneous Revenue	93,714		94,462		73,301	
Total Other Revenue	180,186		217,981		270,660	
Operating Revenue	14,332,864		13,863,095		12,040,053	
<u>Operating Expense</u>						
Purchased Power	3,441,904	0.0241	3,159,658	0.0227	3,030,362	0.0215
Production Fuel	4,491,118		4,296,575		3,289,973	
Emissions Allowance	10,523		14,650		14,450	
Operation	3,802,598		3,549,073		3,408,403	
Maintenance	1,524,448		1,285,992		1,151,630	
Depreciation	1,889,908		1,874,002		1,858,724	
Total Operating Expense	15,160,499		14,179,950		12,753,542	
Operating Loss	(827,635)		(316,855)		(713,489)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	220,509		209,134		210,859	
Interest Expense	(900)		(208)		(321)	
Total Nonoperating Revenue (Expense)	219,609		208,926		210,538	
Net Loss Before Revenue Adjustment and Capital Contributions	(608,026)		(107,929)		(502,951)	
Capital Contributions	---		11,825		4,000,000	
Change in Net Position	(608,026)		(96,104)		3,497,049	
Beginning Net Position	163,853,950		163,853,950		162,377,260	
Ending Net Position	\$163,245,924		\$163,757,846		\$165,874,309	
Net Loss Before Rev Adj to Op Revenue	(4.2)		(0.8)		(4.2)	
Change in Net Position to Operating Revenue	(4.2)		(0.7)		29.1	

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

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$6,032,610	\$5,239,863
Investments	---	<u>868,535</u>
Total Restricted Current Assets	<u>6,032,610</u>	<u>6,108,398</u>
<u>Unrestricted</u>		
Cash - interest bearing	16,733,436	7,036,137
Receivables:		
Consumer Accounts	4,708,850	4,708,701
Wholesale	267,707	—
Steam Sales	886,635	1,163,159
Interest	207,944	211,556
Intercompanies	—	23,894
Inventories	6,700,711	6,711,370
Fuel	8,686,279	13,775,163
Prepaid Expenses	<u>601,086</u>	<u>586,699</u>
Total Unrestricted Current Assets	<u>38,792,648</u>	<u>34,216,679</u>
Total Current Assets	<u>44,825,258</u>	<u>40,325,077</u>
Property and Equipment:		
At Cost	409,738,156	407,454,146
Less Accumulated Depreciation	<u>313,564,797</u>	<u>303,182,938</u>
Net Property and Equipment	<u>96,173,359</u>	<u>104,271,208</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Joint Venture Rights	<u>110,790</u>	<u>127,840</u>
Total Other Assets	<u>35,437,790</u>	<u>35,454,840</u>
TOTAL ASSETS	<u><u>\$176,436,407</u></u>	<u><u>\$180,051,125</u></u>

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

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$901,599	\$2,201,174
Pension Provision	384,633	368,380
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	532,200	446,506
Accrued Vacation	1,163,739	1,121,055
Accrued Emission Allowance Expense	80,675	296,258
Consumers' Deposits	580,653	585,606
Accrued Property Taxes	123,366	123,675
Miscellaneous Accrued Expenses	700,086	554,273
Miscellaneous Deferred Credits	<u>10,350</u>	<u>10,350</u>
Total Unrestricted Current Liabilities	<u>4,651,127</u>	<u>5,903,810</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,641,457	1,915,909
Post-Employment Health Benefit Provision	172,741	143,861
Consumer Advances for Construction	<u>180,370</u>	<u>180,370</u>
Total Non-Current Liabilities	<u>1,994,568</u>	<u>2,240,140</u>
Deferred Revenue - Extraordinary O & M	<u>6,032,866</u>	<u>6,032,866</u>
Net Position:		
Net Investment in Capital Assets	96,173,359	104,271,208
Restricted	6,032,610	6,108,398
Unrestricted	<u>61,551,877</u>	<u>55,494,703</u>
Total Net Position	<u>163,757,846</u>	<u>165,874,309</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$176,436,407</u>	<u>\$180,051,125</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$3,873,442	\$7,683,027
MISO sales	2,061,717	3,916,122
Steam sales	972,956	1,850,085
Coal & transportation allowances	---	3,925
Railcar leasing	76,894	136,336
By-product sales	2,105	24,143
Miscellaneous sources	94,533	122,036
Cash paid to/for:		
Suppliers	(448,283)	(1,534,739)
MISO purchases/administration fees	(1,532,843)	(3,174,335)
Coal	(7,949)	(426,210)
Employees payroll, taxes and benefits	<u>(1,529,779)</u>	<u>(3,162,388)</u>
Net cash flows from operating activities	<u>3,562,793</u>	<u>5,438,002</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(155,393)</u>	<u>(252,449)</u>
Net cash flows from capital and related financing activities	<u>(155,393)</u>	<u>(252,449)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(19,280)
Interest received on investments and note receivable	<u>667</u>	<u>624,799</u>
Net cash flows from investing activities	<u>667</u>	<u>605,519</u>
Net increase in cash and investments	<u>3,408,067</u>	<u>5,791,072</u>
Cash and investments at beginning of period	<u>19,357,979</u>	<u>16,974,974</u>
Cash and investments at end of period	<u><u>\$22,766,046</u></u>	<u><u>\$22,766,046</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$98,763)	(\$316,855)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	1,874,002
Amortization of joint venture rights	8,565	19,048
Changes in assets and liabilities:		
Consumer accounts receivable	191,913	61,760
Wholesale receivable	(49,842)	(173,128)
Steam sales receivable	149,763	47,896
Intercompany receivable	0	17,211
Inventories	(29,677)	(15,401)
Fuel	2,069,012	4,101,881
Prepaid expenses	108,749	(124,539)
Accounts payable	127,661	(599,757)
Pension provision	192,316	384,633
Health & dental insurance provision	(43,657)	(8,278)
Other post-employment benefit provision	1,988	3,977
Accrued payroll	7,372	140,414
Accrued vacation	23,238	51,895
Accrued emission allowance expense	6,883	14,650
Consumers' deposits	4,052	5,737
Accrued property taxes	8,523	17,047
Miscellaneous accrued expenses	(52,304)	(60,691)
Miscellaneous deferred credits	---	(3,500)
Net cash flows from operating activities	<u><u>\$3,562,793</u></u>	<u><u>\$5,438,002</u></u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,610</u>	<u>\$6,108,398</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$6,032,610</u>	<u>\$6,108,398</u>

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

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>
	<u>Estimate</u>		<u> </u>		<u> </u>
Purchased Power	\$1,543,267	23.9	\$1,632,842	23.6	\$1,539,423
Average price per kWh	\$0.0230		\$0.0243		\$0.0225
Generation					
Operation Supervision	77,105		73,931		71,352
Fuel:					
Coal	1,796,832		2,074,089		1,592,830
Fuel Oil	14,999		6,423		182
Gas	25,000		11,890		18,271
Coal Handling Expense	73,465		67,935		64,990
Landfill Operation Expense	1,620		5,765		5,176
Emissions Allowance Expense	5,261		6,883		7,776
Steam Expense:					
Boiler	113,550		83,935		93,006
Pollution Control	42,110		33,271		25,275
Electric Expense	97,202		88,394		92,017
Miscellaneous Steam Power Expense	152,390		158,982		128,770
Maintenance:					
Supervision	74,923		69,777		74,719
Structures	54,320		43,935		52,432
Boiler Plant:					
Boiler	139,752		62,483		105,630
Pollution Control	22,198		42,168		36,381
Electric Plant	48,042		25,091		20,043
System Control	19,042		17,209		12,973
Miscellaneous Steam Plant	85,874		64,810		60,888
Coal Handling Equipment	57,159		59,886		69,377
System Control and Load Dispatch	22,522		25,061		57,518
Vacation, Holiday, Sick Leave	70,440		74,052		88,102
Depreciation	<u>624,688</u>		<u>622,373</u>		<u>622,359</u>
Total Generation Expense	<u>\$3,618,494</u>	56.0	<u>\$3,718,343</u>	53.7	<u>\$3,300,067</u>
					54.9

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

Page 11

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
Purchased Power	\$3,441,904	24.0	\$3,030,362
Average price per kWh	\$0.0241	\$0.0227	\$0.0215
Generation			
Operation Supervision	154,186	157,058	148,198
Fuel:			
Coal	4,254,918	4,120,536	3,115,039
Fuel Oil	29,998	6,697	1,253
Gas	50,800	19,633	31,657
Coal Handling Expense	152,162	137,666	130,366
Landfill Operation Expense	3,240	12,043	11,658
Emissions Allowance Expense	10,523	14,650	14,450
Steam Expense:			
Boiler	228,540	175,870	188,224
Pollution Control	89,374	67,685	58,094
Electric Expense	193,750	186,307	189,548
Miscellaneous Steam Power Expense	349,042	322,786	264,872
Maintenance:			
Supervision	149,726	155,151	150,101
Structures	109,303	98,866	100,388
Boiler Plant:			
Boiler	432,116	189,614	182,250
Pollution Control	45,221	93,478	102,717
Electric Plant	98,333	68,669	65,980
System Control	37,370	42,795	31,756
Miscellaneous Steam Plant	158,436	123,865	116,519
Coal Handling Equipment	113,798	141,450	110,974
System Control and Load Dispatch	50,498	50,915	111,386
Vacation, Holiday, Sick Leave	169,784	194,683	205,357
Depreciation	<u>1,249,376</u>	<u>1,244,746</u>	<u>1,244,718</u>
Total Generation Expense	<u>\$8,130,494</u>	<u>56.7</u>	<u>\$6,575,505</u>
		55.0	54.6

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<u>Transmission</u>			
Operation Supervision	\$3,582	\$3,928	\$3,143
Load Dispatching	43,666	55,943	26,061
Station Expense	7,444	5,896	11,519
Overhead Line Expense	125	532	1,138
Transmission of Electricity by Others	10,933	11,927	2,315
Miscellaneous Transmission Expense	9,496	6,204	6,306
Maintenance:			
Supervision	1,827	1,867	1,254
Structures	23	---	---
Station Equipment	7,484	11,660	5,241
Overhead Lines	10,896	18,980	12,479
Vacation, Holiday, Sick Leave	4,911	5,621	3,997
Depreciation	30,745	30,625	30,625
Tax on Rural Property	<u>5,682</u>	<u>5,682</u>	<u>5,606</u>
Total Transmission Expense	<u>136,814</u>	<u>2.1</u>	<u>109,684</u>
		2.3	1.8
<u>Distribution</u>			
Operation Supervision	9,855	10,926	7,571
Load Dispatching	33,228	21,206	29,458
Station Expense	7,410	3,926	9,090
Overhead Line Expense	6,447	1,887	2,158
Vehicle Expense	15,636	16,722	13,862
Underground Line Expense	3,507	1,049	2,595
Street Lighting	1,655	1,062	1,960
Signal Expense	483	---	565
Meter Expense	7,230	7,319	9,061
Consumer Installation Expense	586	1,388	1,510
Miscellaneous Distribution Expense	48,755	54,709	59,592
Maintenance:			
Supervision	8,968	9,861	6,681
Structures	420	---	---
Station Equipment	10,011	5,047	5,670
Overhead Lines	56,579	66,326	50,206
Underground Lines	8,433	7,312	3,587
Line Transformers	3,429	8,693	6,167
Street Lighting	5,040	1,345	8,113
Signal System	2,086	935	1,170
Meters	1,762	6,458	515
Miscellaneous Distribution Plant	2,278	1,667	3,086
Vacation, Holiday, Sick Leave	21,242	26,487	17,466
Depreciation	156,137	155,502	152,158
Tax on Rural Property	<u>1,697</u>	<u>1,697</u>	<u>1,674</u>
Total Distribution Expense	<u>\$412,874</u>	<u>6.4</u>	<u>\$393,915</u>
		5.9	6.5

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

	Budget Estimate	This Year	Last Year
<u>Transmission</u>			
Operation Supervision	\$7,215	\$8,070	\$6,516
Load Dispatching	90,792	116,645	51,810
Station Expense	15,181	12,233	19,736
Overhead Line Expense	125	615	1,412
Transmission of Electricity by Others	21,866	24,573	4,887
Miscellaneous Transmission Expense	21,279	13,654	12,460
Maintenance:			
Supervision	3,654	3,847	2,580
Structures	133	---	---
Station Equipment	14,662	15,715	9,656
Overhead Lines	22,357	44,418	22,559
Vacation, Holiday, Sick Leave	12,081	12,903	10,269
Depreciation	61,490	61,250	61,250
Tax on Rural Property	<u>11,364</u>	<u>11,364</u>	<u>11,211</u>
Total Transmission Expense	<u>282,199</u>	2.0	<u>214,346</u> 1.8
<u>Distribution</u>			
Operation Supervision	20,149	22,728	15,552
Load Dispatching	68,940	50,213	58,921
Station Expense	16,109	11,525	19,415
Overhead Line Expense	9,992	4,395	3,080
Vehicle Expense	31,261	34,831	27,072
Underground Line Expense	6,677	2,899	4,155
Street Lighting	3,310	2,678	5,472
Signal Expense	4,490	---	741
Meter Expense	15,052	18,316	18,133
Consumer Installation Expense	1,273	1,878	3,186
Miscellaneous Distribution Expense	<u>101,209</u>	<u>101,046</u>	<u>114,520</u>
Maintenance:			
Supervision	18,360	20,544	13,701
Structures	812	---	---
Station Equipment	21,316	11,884	11,942
Overhead Lines	114,551	124,696	95,885
Underground Lines	17,030	10,345	9,032
Line Transformers	7,085	15,034	7,341
Street Lighting	10,081	5,905	10,707
Signal System	4,880	3,027	2,450
Meters	4,082	7,962	3,969
Miscellaneous Distribution Plant	4,556	3,734	4,457
Vacation, Holiday, Sick Leave	53,043	66,950	46,348
Depreciation	312,275	311,004	304,316
Tax on Rural Property	<u>3,394</u>	<u>3,394</u>	<u>3,349</u>
Total Distribution Expense	<u>\$849,927</u>	5.9	<u>\$783,744</u> 6.5

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<u>Customer Service Expense</u>					
Customer Information Expense	\$17,733		\$13,611		\$4,850
Energy Efficiency Rebates	19,892		6,098		27,824
Electric Ranges/Dryers Maintenance	548		508		865
Electric Water Heaters Maintenance	178		86		604
 Total Customer Service Expense	 38,351	 0.6	 20,303	 0.3	 34,143
 <u>Consumer Accounts</u>					
Supervision	2,674		3,076		2,155
Meter Reading Expense	8,147		8,411		9,059
Consumer Records and Collection	37,138		28,416		24,912
Uncollectible Accounts Expense	3,297		3,297		2,403
Vacation, Holiday, Sick Leave	3,236		4,551		3,874
 Total Consumer Accounts Expense	 54,492	 0.8	 47,751	 0.7	 42,403
 <u>Administrative and General</u>					
Administrative and General Salaries	159,338		152,705		145,973
Office Supplies and Expenses	21,584		22,203		18,278
Outside Services Employed	99,401		54,182		48,521
Property Insurance	46,378		46,620		38,809
Casualty Ins, Injuries & Damages	36,613		15,324		39,226
Employee Pensions and Benefits	518,852		502,749		480,374
Fringe Benefits Charged to Constr.	(17,479)		(8,151)		(13,321)
Regulatory Commission	8,567		7,893		4,400
Miscellaneous General Expense	60,213		30,197		31,289
Maintenance of General Plant	28,182		24,099		18,127
Maintenance of A/O Center	41,996		26,062		25,392
Vacation, Holiday, Sick Leave	19,513		26,602		21,890
Depreciation	133,384		128,501		124,220
 Total Administrative and General	 1,156,542	 17.9	 1,028,986	 14.9	 983,178
 Total Operating Expense	 \$6,960,834		 \$7,018,614		 \$6,402,813
 Percent to Operating Revenue		 107.7		 101.4	 106.5

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

	Budget <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<u>Customer Service Expense</u>					
Customer Information Expense	\$29,731		\$17,173		13,923
Energy Efficiency Rebates	39,785		11,377		38,487
Electric Ranges/Dryers Maintenance	1,096		1,238		1,947
Electric Water Heaters Maintenance	322		259		943
 Total Customer Service Expense	 \$70,934	 0.5	 \$30,047	 0.2	 \$55,300
 <u>Consumer Accounts</u>					
Supervision	5,303		6,220		4,270
Meter Reading Expense	16,437		18,520		18,429
Consumer Records and Collection	67,819		63,081		53,240
Uncollectible Accounts Expense	6,593		6,594		4,805
Vacation, Holiday, Sick Leave	8,103		9,933		8,529
 Total Consumer Accounts Expense	 104,255	 0.7	 104,348	 0.8	 89,273
 <u>Administrative and General</u>					
Administrative and General Salaries	318,753		328,631		295,953
Office Supplies and Expenses	49,699		41,461		31,674
Outside Services Employed	161,264		92,288		80,166
Property Insurance	92,755		93,241		77,617
Casualty Ins, Injuries & Damages	73,227		40,257		99,013
Employee Pensions and Benefits	1,052,664		1,019,403		984,278
Fringe Benefits Charged to Constr.	(31,960)		(23,034)		(30,959)
Regulatory Commission	17,133		16,161		8,800
Miscellaneous General Expense	95,158		67,618		55,874
Maintenance of General Plant	56,169		49,411		44,828
Maintenance of A/O Center	80,417		55,582		51,838
Vacation, Holiday, Sick Leave	48,740		62,438		57,490
Depreciation	266,767		257,002		248,440
 Total Administrative and General	 2,280,786	 15.9	 2,100,459	 15.2	 2,005,012
 Total Operating Expense	 \$15,160,499		 \$14,179,950		 \$12,753,542
 Percent to Operating Revenue		105.8		102.3	105.9

Muscatine Power and Water - Electric Utility
Statistical Data
February 2013

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

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.839	\$1.876
Per Net MW Generated	\$20.15	\$20.98
Net Peak Monthly Demand-KW	114,210	114,950
Date of Peak	2/1	2/13
Hour of Peak	1000	1200

	<u>Calendar Year-To-Date</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.829	\$1.862
Per Net MW Generated	\$20.19	\$21.00
Net Peak Monthly Demand-KW	114,210	114,950
Date of Peak	2/1	2/13
Hour of Peak	1000	1200

Average Temperature	25.8°	30.6°
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<u>Services</u>	<u>2013</u>	<u>2012</u>
Residential	9,759	9,730
Commercial I	1,381	1,395
Commercial II	113	117
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,320</u>	<u>11,310</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - February 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>70,776,518</u>		<u>83,744,825</u>		<u>\$3,178,911</u>	
Wholesale Sales	<u>\$1,769,413</u>	<u>\$0.0250</u>	<u>\$2,230,466</u>	<u>\$0.0266</u>	<u>\$1,366,515</u>	<u>\$0.0257</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	1,331,717	0.0188	1,596,931	0.0191	1,033,137	0.0194
Emissions:						
SO ₂ Allowances ^{fn1}	187	0.0000	25	0.0000	63	0.0000
NO _x Allowances ^{fn2}	5,075	0.0001	4,121	0.0000	3,331	0.0001
Other ^{fn3}	<u>191,059</u>	<u>0.0027</u>	<u>191,059</u>	<u>0.0023</u>	<u>193,544</u>	<u>0.0036</u>
Total Variable Costs	<u>1,528,038</u>	<u>0.0216</u>	<u>1,792,136</u>	<u>0.0214</u>	<u>1,230,075</u>	<u>0.0231</u>
Gross Margin	<u>\$241,375</u>	<u>\$0.0034</u>	<u>\$438,330</u>	<u>\$0.0052</u>	<u>\$136,440</u>	<u>\$0.0026</u>
Percent Gross Margin	13.6%		19.7%		10.0%	

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>172,805,776</u>		<u>161,147,077</u>		<u>102,206,008</u>	
Wholesale Sales	<u>\$4,524,203</u>	<u>\$0.0262</u>	<u>\$4,109,542</u>	<u>\$0.0255</u>	<u>\$2,502,055</u>	<u>\$0.0245</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	3,258,492	0.0189	3,071,399	0.0191	1,981,070	0.0194
Emissions: ^{fn1}						
SO ₂ Allowances ^{fn2}	374	0.0000	46	0.0000	112	0.0000
NO _x Allowances ^{fn3}	10,150	0.0001	7,692	0.0000	7,346	0.0001
Other ^{fn4}	<u>382,118</u>	<u>0.0022</u>	<u>382,118</u>	<u>0.0024</u>	<u>387,088</u>	<u>0.0038</u>
Total Variable Costs	<u>3,651,134</u>	<u>0.0211</u>	<u>3,461,255</u>	<u>0.0215</u>	<u>2,375,616</u>	<u>0.0232</u>
Gross Margin	<u>\$873,069</u>	<u>\$0.0051</u>	<u>\$648,287</u>	<u>\$0.0040</u>	<u>\$126,439</u>	<u>\$0.0012</u>
Percent Gross Margin	19.3%		15.8%		5.1%	

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	\$1.75
YTD SO ₂	2.00	0.75	1.75
fn2 NO _x annual	42.50	40.00	47.50
NO _x seasonal	10.00	0.00	0.00
fn3 YTD NO _x annual	42.50	40.00	53.60
YTD NO _x seasonal	10.00	0.00	0.00

fn3 Other includes variable generation O&M, rail car cost, and Title V permit fees. Costs included have been amortized evenly over the year.