

Muscatine Power and Water
Electric Utility
Operating Statements and Balance Sheets
February 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 - February 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	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	<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>
Distributed/Purchased Power					
<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

	<u>Budget</u> <u>Estimate</u>	<u>% Increase</u> <u>(Decrease)</u> <u>From Budget</u>	<u>This</u> <u>Year</u>	<u>% Increase</u> <u>(Decrease)</u> <u>Fr. Last Yr.</u>	<u>Last</u> <u>Year</u>
<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	<u>\$163,245,925</u>		<u>\$163,757,846</u>		<u>\$165,874,309</u>	
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 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	\$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	
<u>Steam Sales</u>	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	<u>\$163,245,924</u>		<u>\$163,757,846</u>		<u>\$165,874,309</u>	
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	—	868,535
	<u>6,032,610</u>	<u>6,108,398</u>
Total Restricted Current Assets		
<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	601,086	586,699
	<u>38,792,648</u>	<u>34,216,679</u>
Total Unrestricted Current Assets		
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	10,350	10,350
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	4,651,127	5,903,810
	<hr/>	<hr/>
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	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	1,994,568	2,240,140
	<hr/>	<hr/>
Deferred Revenue - Extraordinary O & M	6,032,866	6,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	96,173,359	104,271,208
Restricted	6,032,610	6,108,398
Unrestricted	61,551,877	55,494,703
	<hr/>	<hr/>
Total Net Position	163,757,846	165,874,309
	<hr/>	<hr/>
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	(1,529,779)	(3,162,388)
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</u> <u>Month</u>	<u>Year-</u> <u>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>\$3,562,793</u>	<u>\$5,438,002</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><u>\$6,032,610</u></u>	<u><u>\$6,108,398</u></u>

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>Purchased Power</u>	<u>\$1,543,267</u>	23.9	<u>\$1,632,842</u>	23.6	<u>\$1,539,423</u>	25.6
Average price per kWh	\$0.0230		\$0.0243		\$0.0225	
<u>Generation</u>						
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

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	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$3,441,904</u>	24.0	<u>\$3,159,658</u>	22.8	<u>\$3,030,362</u>	25.2
Average price per kWh	\$0.0241		\$0.0227		\$0.0215	
<u>Generation</u>						
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>	56.7	<u>\$7,625,163</u>	55.0	<u>\$6,575,505</u>	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	5,682		5,682		5,606	
Total Transmission Expense	136,814	2.1	158,865	2.3	109,684	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	1,697		1,697		1,674	
Total Distribution Expense	\$412,874	6.4	\$411,524	5.9	\$393,915	6.5

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<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	11,364		11,364		11,211	
Total Transmission Expense	<u>282,199</u>	2.0	<u>325,287</u>	2.3	<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	101,209		101,046		114,520	
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	3,394		3,394		3,349	
Total Distribution Expense	<u>\$849,927</u>	5.9	<u>\$834,988</u>	6.0	<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	<u>38,351</u>	0.6	<u>20,303</u>	0.3	<u>34,143</u>	0.6
<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	<u>54,492</u>	0.8	<u>47,751</u>	0.7	<u>42,403</u>	0.7
<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	<u>1,156,542</u>	17.9	<u>1,028,986</u>	14.9	<u>983,178</u>	16.3
Total Operating Expense	<u>\$6,960,834</u>		<u>\$7,018,614</u>		<u>\$6,402,813</u>	
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

	<u>Budget 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	<u>\$70,934</u>	0.5	<u>\$30,047</u>	0.2	<u>\$55,300</u>	0.5
<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	<u>104,255</u>	0.7	<u>104,348</u>	0.8	<u>89,273</u>	0.7
<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	<u>2,280,786</u>	15.9	<u>2,100,459</u>	15.2	<u>2,005,012</u>	16.7
Total Operating Expense	<u>\$15,160,499</u>		<u>\$14,179,950</u>		<u>\$12,753,542</u>	
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>
<u>Wholesale kWh Sales</u>	<u>70,776,518</u>		<u>83,744,825</u>		<u>53,178,911</u>	
<u>Wholesale Sales</u>	<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>
<u>Variable Costs</u>						
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>
<u>Wholesale kWh Sales</u>	<u>172,805,776</u>		<u>161,147,077</u>		<u>102,206,008</u>	
<u>Wholesale Sales</u>	<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>
<u>Variable Costs</u>						
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.