

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

February 2014

**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 2014

	<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	81,333,571	59.8	129,956,793	38.7	93,679,618
Less: Plant Use	<u>8,176,493</u>	46.8	<u>12,006,153</u>	20.8	<u>9,934,793</u>
Net Generation/Wholesale Sales	<u>73,157,078</u>	61.2	<u>117,950,640</u>	40.8	<u>83,744,825</u>
<u>Net Capacity Factors</u>					
Unit 9	52.00	54.3	80.21	19.9	66.90
Unit 8/8A	47.70	51.6	72.32	1.2X	33.38
Unit 7	11.00	4.3X	58.19	---	---
Total Plant	47.16	61.9	76.36	41.5	53.96
<u>KWH Distribution</u>					
Residential	8,200,000	18.6	9,726,948	13.8	8,548,901
Commercial I	3,052,975	16.0	3,542,634	10.3	3,211,987
Commercial II	8,309,475	(2.7)	8,086,700	6.9	7,563,372
Industrial I	8,505,840	(9.0)	7,739,540	(9.7)	8,567,280
Industrial II	34,917,970	0.2	34,984,136	(1.5)	35,524,187
City Enterprise Funds	495,000	(9.5)	448,066	15.7	387,371
Water & Communications Utilities	<u>1,257,723</u>	3.2	<u>1,298,277</u>	10.4	<u>1,176,274</u>
Native System Sales	64,738,983	1.7	65,826,301	1.3	64,979,372
City Lighting	164,850	(3.8)	158,647	(1.3)	160,787
City Buildings	531,667	29.9	690,666	16.9	590,733
Offline Power Plant Usage	22,814	3.7X	107,321	(50.7)	217,909
Losses & Cycle Billing	<u>2,629,715</u>	(44.1)	<u>1,469,803</u>	31.8	<u>1,115,119</u>
Total Native System KWH					
Distributed/Purchased Power	<u>68,088,029</u>	0.2	<u>68,252,738</u>	1.8	<u>67,063,920</u>
<u>STEAM SALES - 1000 lbs</u>					
	<u>237,537</u>	(1.4)	<u>234,164</u>	5.3	<u>222,457</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - February 2014

	<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	196,716,662	31.0	257,639,519	41.7	181,792,506
Less: Plant Use	<u>19,315,884</u>	28.0	<u>24,717,016</u>	19.7	<u>20,645,429</u>
Net Generation/Wholesale Sales	<u>177,400,778</u>	31.3	<u>232,922,503</u>	44.5	<u>161,147,077</u>
<u>Net Capacity Factors</u>					
Unit 9	60.93	21.4	73.99	21.3	60.98
Unit 8/8A	47.87	53.5	73.50	1.4X	31.02
Unit 7	18.36	1.9X	52.34	---	---
Total Plant	54.27	31.9	71.59	45.2	49.30
<u>KWH Distribution</u>					
Residential	17,400,000	18.6	20,628,244	15.4	17,873,773
Commercial I	6,358,175	13.3	7,203,760	7.2	6,717,398
Commercial II	17,213,475	(1.1)	17,022,760	7.5	15,832,861
Industrial I	17,576,475	(6.7)	16,402,140	(7.2)	17,673,080
Industrial II	73,996,045	(4.6)	70,597,180	(3.3)	72,975,269
City Enterprise Funds	1,040,000	(10.4)	931,622	14.9	810,463
Water & Communications Utilities	<u>2,626,490</u>	2.2	<u>2,685,426</u>	10.1	<u>2,438,026</u>
Native System Sales	136,210,660	(0.5)	135,471,132	0.9	134,320,870
City Lighting	334,209	(3.6)	322,021	(1.3)	326,254
City Buildings	1,133,195	26.7	1,435,472	18.4	1,212,660
Offline Power Plant Usage	48,019	3.5X	217,076	(23.5)	283,646
Losses & Cycle Billing	<u>4,388,278</u>	(33.5)	<u>2,916,988</u>	(11.4)	<u>3,291,410</u>
Total Native System KWH					
Distributed/Purchased Power	<u>142,114,361</u>	(1.2)	<u>140,362,689</u>	0.7	<u>139,434,840</u>
<u>STEAM SALES - 1000 lbs</u>					
	<u>500,373</u>	(1.6)	<u>492,325</u>	1.1	<u>487,114</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - February 2014

	<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	\$785,050	0.09574	\$917,983	0.09438	\$778,131	0.09102
Commercial I	267,835	0.08773	306,928	0.08664	261,013	0.08126
Commercial II	561,935	0.06763	540,448	0.06683	467,571	0.06182
Industrial I	484,613	0.05697	466,731	0.06030	469,428	0.05479
Industrial II	1,706,570	0.04887	1,706,067	0.04877	1,711,042	0.04817
City Enterprise Funds	29,127	0.05884	28,651	0.06394	23,757	0.06133
Water & Communication Utilities	63,520	0.05050	72,868	0.05613	60,279	0.05125
Native System Sales	3,898,650	0.06022	4,039,676	0.06137	3,771,221	0.05804
Wholesale Sales	2,048,398	0.02800	6,674,094	0.05658	2,230,466	0.02663
Energy Sales	5,947,048		10,713,770		6,001,687	
<u>Steam Sales</u>	907,574	3.82	894,944	3.82	822,908	3.70
<u>Other Revenue</u>						
Rail Car Lease	27,600		29,670		53,690	
By-Product Revenue	20,189		4,360		6,031	
Miscellaneous Revenue	43,732		39,207		35,535	
Total Other Revenue	91,521		73,237		95,256	
Operating Revenue	6,946,143		11,681,951		6,919,851	
<u>Operating Expense</u>						
Purchased Power	1,753,267	0.02575	3,553,564	0.05206	1,632,842	0.02435
Production Fuel	2,027,968		3,102,422		2,166,102	
Emissions Allowance	7,290		6,981		6,883	
Operation	1,921,684		1,757,218		1,700,115	
Maintenance	754,880		802,011		575,671	
Depreciation	950,517		945,494		937,001	
Total Operating Expense	7,415,606		10,167,690		7,018,614	
Operating Income (Loss)	(469,463)		1,514,261		(98,763)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	114,383		105,826		104,587	
Interest Expense	(133)		(71)		(97)	
Total Nonoperating Revenue (Expense)	114,250		105,755		104,490	
Net Income (Loss) Before Revenue Adjustment	(355,213)		1,620,016		5,727	
Capital Contributions	6,278		---		11,825	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(348,935)		1,620,016		17,552	
Beginning Net Position	154,808,569		156,136,549		163,740,294	
Ending Net Position	\$154,459,634		\$157,756,565		\$163,757,846	
Net Loss Before Rev Adj to Op Revenue	(5.1)		13.9		0.1	
Change in Net Position to Operating Revenue	(5.0)		13.9		0.3	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - February 2014

	Budget Estimate	Avg. Price	This Year	Avg. Price	Last Year	Avg. Price
<u>Sales of Electricity</u>						
Residential	\$1,647,486	0.09468	\$1,932,631	0.09369	\$1,616,696	0.09045
Commercial I	555,640	0.08739	623,264	0.08652	544,446	0.08105
Commercial II	1,150,861	0.06686	1,118,329	0.06570	961,704	0.06074
Industrial I	988,236	0.05622	963,436	0.05874	956,843	0.05414
Industrial II	3,541,848	0.04787	3,410,548	0.04831	3,481,189	0.04770
City Enterprise Funds	61,096	0.05875	58,386	0.06267	48,185	0.05945
Water & Communications Utilities	132,926	0.05061	149,953	0.05584	124,890	0.05123
Native System Sales	8,078,093	0.05931	8,256,547	0.06095	7,733,953	0.05758
Wholesale Sales	5,071,465	0.02859	12,709,966	0.05457	4,109,542	0.02550
Energy Sales	13,149,558		20,966,513		11,843,495	
<u>Steam Sales</u>	1,906,083	3.81	1,880,019	3.82	1,801,619	3.70
<u>Other Revenue</u>						
Rail Car Lease	55,200		50,439		113,132	
By-Product Revenue	50,139		6,925		10,387	
Miscellaneous Revenue	87,465		80,059		94,462	
Total Other Revenue	192,804		137,423		217,981	
Operating Revenue	15,248,445		22,983,955		13,863,095	
<u>Operating Expense</u>						
Purchased Power	3,733,471	0.02627	6,780,686	0.04831	3,159,658	0.02266
Production Fuel	4,707,869		6,212,010		4,296,575	
Emissions Allowance	15,215		14,813		14,650	
Operation	3,908,291		3,684,693		3,549,073	
Maintenance	1,490,084		1,582,594		1,285,992	
Depreciation	1,901,031		1,890,988		1,874,002	
Total Operating Expense	15,755,961		20,165,784		14,179,950	
Operating Income (Loss)	(507,516)		2,818,171		(316,855)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	228,804		212,841		209,134	
Interest Expense	(267)		(504)		(208)	
Total Nonoperating Revenue (Expense)	228,537		212,337		208,926	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(278,979)		3,030,508		(107,929)	
Capital Contributions	12,556		—		11,825	
Revenue Adjustment-Extraordinary O&M	—		—		—	
Change in Net Position	(266,423)		3,030,508		(96,104)	
Beginning Net Position	154,726,057		154,726,057		163,853,950	
Ending Net Position	\$154,459,634		\$157,756,565		\$163,757,846	
Net Loss Before Rev Adj to Op Revenue	(1.8)		13.2		(0.8)	
Change in Net Position to Operating Revenue	(1.8)		13.2		(0.7)	

Muscatine Power and Water - Electric Utility
Statements of Net Position
February 2014

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
Restricted		
Cash - interest bearing	\$8,036,642	\$6,032,610
Investments	<u>5,000,520</u>	---
Total Restricted Current Assets	<u>13,037,162</u>	<u>6,032,610</u>
Unrestricted		
Cash - interest bearing	18,114,269	16,733,436
Investments	3,500,000	---
Receivables:		
Consumer Accounts	5,200,986	4,708,850
Refined Coal	4,197,150	---
Wholesale	2,099,333	267,707
Steam Sales	963,015	886,635
Interest	220,919	207,944
Intercompanies	---	---
Inventories	6,118,507	6,700,711
Fuel	2,528,600	8,686,279
Prepaid Expenses	<u>644,881</u>	<u>601,086</u>
Total Unrestricted Current Assets	<u>43,587,660</u>	<u>38,792,648</u>
Total Current Assets	<u>56,624,822</u>	<u>44,825,258</u>
Property and Equipment:		
At Cost	412,434,080	409,738,156
Less Accumulated Depreciation	<u>323,149,225</u>	<u>313,564,797</u>
Net Property and Equipment	<u>89,284,855</u>	<u>96,173,359</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	650,000	---
Joint Venture Rights	<u>107,322</u>	<u>110,790</u>
Total Other Assets	<u>36,084,322</u>	<u>35,437,790</u>
TOTAL ASSETS	<u><u>\$181,993,999</u></u>	<u><u>\$176,436,407</u></u>

Muscatine Power and Water - Electric Utility
Statements of Net Position
February 2014

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2014</u>	<u>2013</u>
Current Liabilities:		
Unrestricted		
Accounts Payable	\$5,395,327	\$901,599
Pension Provision	357,092	384,633
Health & Dental Insurance Provision	229,100	173,826
Accrued Payroll	610,654	532,200
Accrued Vacation	1,149,285	1,163,739
Accrued Emission Allowance Expense	85,509	80,675
Consumers' Deposits	607,366	580,653
Accrued Property Taxes	111,436	123,366
Miscellaneous Accrued Expenses	774,710	700,086
Unearned Mooring Lease	2,967	---
Economic Development Reserves	---	10,350
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	<hr/>	<hr/>
	9,323,446	4,651,127
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,362,561	1,641,457
Post-Employment Health Benefit Provision	338,191	172,741
Consumer Advances for Construction	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	<hr/>	<hr/>
	1,881,122	1,994,568
Deferred Inflows of Resources - Extraordinary O & M	<hr/>	<hr/>
	13,032,866	6,032,866
Net Position:		
Net Investment in Capital Assets	89,284,855	96,173,359
Restricted	13,037,162	6,032,610
Unrestricted	55,434,548	61,551,877
	<hr/>	<hr/>
Total Net Position	<hr/>	<hr/>
	157,756,565	163,757,846
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<hr/>	<hr/>
	<hr/>	<hr/>
	\$181,993,999	\$176,436,407

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
February 2014

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,087,994	\$8,174,868
MISO sales	7,613,384	10,470,439
Steam sales	978,515	1,996,247
Railcar/facilities leasing	25,769	99,974
By-product sales	50,549	51,750
Miscellaneous sources	1,457	96,315
Cash paid to/for:		
Suppliers	1,111,789	2,821,328
MISO purchases/administration fees	(4,030,180)	(6,346,827)
Coal	(4,517,197)	(8,414,728)
Employees payroll, taxes and benefits	<u>(1,664,627)</u>	<u>(3,457,712)</u>
Net cash flows from operating activities	<u>3,657,453</u>	<u>5,491,654</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(159,085)	(302,714)
Loan to Water Utility	<u>---</u>	<u>(250,000)</u>
Net cash flows from capital and related financing activities	<u>(159,085)</u>	<u>(552,714)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(22,235)
Interest received on investments and note receivable	624	639,945
Amortization/accretion of investments	(143)	(286)
Mark to Market	<u>(297)</u>	<u>166</u>
Net cash flows from investing activities	<u>184</u>	<u>617,590</u>
Net increase in cash and investments	<u>3,498,552</u>	<u>5,556,530</u>
Cash and investments at beginning of period	<u>31,152,879</u>	<u>29,094,901</u>
Cash and investments at end of period	<u>\$34,651,431</u>	<u>\$34,651,431</u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
February 2014

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$1,514,261	\$2,818,171
Noncash items in operating income:		
Depreciation of electric utility plant	945,494	1,890,988
Amortization of joint venture rights	8,348	16,534
Changes in assets and liabilities:		
Consumer accounts receivable	2,589,414	1,559,641
Refined coal	(4,197,150)	(4,197,150)
Wholesale receivable	(310,167)	(1,057,857)
Steam sales receivable	83,260	115,575
Inventories	113,638	200,101
Fuel	1,720,494	2,540,568
Prepaid expenses	112,792	(152,555)
Accounts payable	940,757	1,283,170
Pension provision	178,546	357,092
Health & dental insurance provision	(114,002)	(131,957)
Other post-employment benefit provision	8,230	16,459
Accrued payroll	(10,326)	147,821
Accrued vacation	36,150	55,805
Accrued emission allowance expense	6,981	14,814
Consumers' deposits	11,752	13,425
Accrued property taxes	8,138	13,876
Miscellaneous accrued expenses	<u>10,843</u>	<u>(12,867)</u>
Net cash flows from operating activities	<u><u>\$3,657,453</u></u>	<u><u>\$5,491,654</u></u>

Muscatine Power and Water - Electric Utility
Funds Appropriated for Specific Purposes
February 2014

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,037,162</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$13,037,162</u>	<u>\$6,032,610</u>

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - February 2014

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
Purchased Power	\$1,753,267	25.2	\$3,553,564	30.4	\$1,632,842
Average price per kWh	\$0.0258		\$0.0521		\$0.0243
Generation					
Operation Supervision	77,490		80,830		73,931
Fuel:					
Coal	1,921,704		2,961,899		2,074,089
Fuel Oil	15,749		13,563		6,423
Gas	20,000		52,790		11,890
Coal Handling Expense	69,003		73,284		67,935
Landfill Operation Expense	1,512		886		5,765
Emissions Allowance Expense	7,290		6,981		6,883
Steam Expense:					
Boiler	102,236		85,040		83,935
Pollution Control	37,774		30,090		33,271
Electric Expense	93,420		86,765		88,394
Miscellaneous Steam Power Expense	230,192		139,939		158,982
Maintenance:					
Supervision	78,115		82,489		69,777
Structures	48,565		43,986		43,935
Boiler Plant:					
Boiler	193,071		187,483		62,483
Pollution Control	37,462		59,777		42,168
Electric Plant	41,417		43,176		25,091
System Control	19,310		25,738		17,209
Miscellaneous Steam Plant	91,289		78,667		64,810
Coal Handling Equipment	60,432		107,730		59,886
System Control and Load Dispatch	31,520		23,343		25,061
Vacation, Holiday, Sick Leave	69,014		83,336		74,052
Depreciation	<u>625,409</u>		<u>624,707</u>		<u>622,373</u>
Total Generation Expense	<u>\$3,871,974</u>	55.7	<u>\$4,892,499</u>	41.9	<u>\$3,718,343</u>
					53.7

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - February 2014

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	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
Purchased Power	\$3,733,471	24.5	\$6,780,686
Average price per kWh	\$0.0263	\$0.0483	\$0.0227
Generation			
Operation Supervision	154,566	163,349	157,058
Fuel:			
Coal	4,490,187	5,911,973	4,120,536
Fuel Oil	31,498	31,944	6,697
Gas	40,450	110,563	19,633
Coal Handling Expense	143,206	153,909	137,666
Landfill Operation Expense	2,528	3,621	12,043
Emissions Allowance Expense	15,215	14,813	14,650
Steam Expense:			
Boiler	206,599	195,274	175,870
Pollution Control	76,245	65,223	67,685
Electric Expense	188,599	182,657	186,307
Miscellaneous Steam Power Expense	395,320	282,032	322,786
Maintenance:			
Supervision	155,506	172,030	155,151
Structures	119,290	92,823	98,866
Boiler Plant:			
Boiler	318,931	342,966	189,614
Pollution Control	99,664	160,952	93,478
Electric Plant	81,468	88,846	68,669
System Control	38,704	44,078	42,795
Miscellaneous Steam Plant	173,989	162,250	123,865
Coal Handling Equipment	120,421	148,091	141,450
System Control and Load Dispatch	67,491	52,304	50,915
Vacation, Holiday, Sick Leave	170,340	207,846	194,683
Depreciation	<u>1,250,817</u>	<u>1,249,414</u>	<u>1,244,746</u>
Total Generation Expense	<u>\$8,341,034</u>	54.7	<u>\$9,836,958</u>
			42.8
			<u>\$7,625,163</u>
			55.0

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - February 2014

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<u>Transmission</u>			
Operation Supervision	\$3,840	\$4,505	\$3,928
Load Dispatching	50,462	49,664	55,943
Station Expense	6,793	16,121	5,896
Overhead Line Expense	129	1,360	532
Transmission of Electricity by Others	28,433	26,628	11,927
Miscellaneous Transmission Expense	10,333	4,283	6,204
Maintenance:			
Supervision	1,925	2,000	1,867
Structures	24	---	---
Station Equipment	7,878	5,232	11,660
Overhead Lines	11,285	13,879	18,980
Vacation, Holiday, Sick Leave	5,104	4,604	5,621
Depreciation	31,041	30,688	30,625
Tax on Rural Property	<u>5,716</u>	<u>5,642</u>	<u>5,682</u>
Total Transmission Expense	<u>162,963</u>	2.3	<u>158,865</u>
		1.4	2.3
<u>Distribution</u>			
Operation Supervision	10,375	11,790	10,926
Load Dispatching	27,225	27,939	21,206
Station Expense	6,365	9,998	3,926
Overhead Line Expense	6,753	1,550	1,887
Vehicle Expense	17,761	13,726	16,722
Underground Line Expense	3,431	974	1,049
Street Lighting	1,618	3,021	1,062
Signal Expense	522	460	---
Meter Expense	7,634	7,889	7,319
Consumer Installation Expense	608	177	1,388
Miscellaneous Distribution Expense	44,892	51,371	54,709
Maintenance:			
Supervision	9,409	10,591	9,861
Structures	434	---	---
Station Equipment	9,985	7,736	5,047
Overhead Lines	56,356	48,698	66,326
Underground Lines	9,554	10,400	7,312
Line Transformers	3,566	3,246	8,693
Street Lighting	5,100	3,529	1,345
Signal System	2,139	1,055	935
Meters	1,870	2,970	6,458
Miscellaneous Distribution Plant	2,318	2,390	1,667
Vacation, Holiday, Sick Leave	21,716	23,223	26,487
Depreciation	<u>159,472</u>	<u>158,237</u>	<u>155,502</u>
Tax on Rural Property	<u>1,708</u>	<u>1,685</u>	<u>1,697</u>
Total Distribution Expense	<u>\$410,811</u>	5.9	<u>\$411,524</u>
		3.4	5.9

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - February 2014

	Budget Estimate	This Year	Last Year	
<u>Transmission</u>				
Operation Supervision	\$7,733	\$8,890	\$8,070	
Load Dispatching	144,526	105,374	116,645	
Station Expense	15,909	34,093	12,233	
Overhead Line Expense	129	1,466	615	
Transmission of Electricity by Others	56,867	55,182	24,573	
Miscellaneous Transmission Expense	23,129	8,748	13,654	
Maintenance:				
Supervision	3,850	4,119	3,847	
Structures	137	---	---	
Station Equipment	15,493	12,937	15,715	
Overhead Lines	23,169	31,962	44,418	
Vacation, Holiday, Sick Leave	12,621	11,231	12,903	
Depreciation	62,082	61,376	61,250	
Tax on Rural Property	<u>11,432</u>	<u>11,284</u>	<u>11,364</u>	
Total Transmission Expense	<u>377,077</u>	2.5	<u>325,287</u>	2.3
<u>Distribution</u>				
Operation Supervision	21,211	24,578	22,728	
Load Dispatching	54,845	57,861	50,213	
Station Expense	15,371	21,775	11,525	
Overhead Line Expense	20,656	3,694	4,395	
Vehicle Expense	35,509	33,562	34,831	
Underground Line Expense	6,530	2,307	2,899	
Street Lighting	3,235	6,839	2,678	
Signal Expense	1,143	989	---	
Meter Expense	15,884	18,051	18,316	
Consumer Installation Expense	1,316	1,474	1,878	
Miscellaneous Distribution Expense	92,909	105,523	101,046	
Maintenance:				
Supervision	19,258	21,888	20,544	
Structures	838	---	---	
Station Equipment	21,279	16,125	11,884	
Overhead Lines	116,036	109,104	124,696	
Underground Lines	19,549	17,189	10,345	
Line Transformers	7,372	5,015	15,034	
Street Lighting	11,400	8,423	5,905	
Signal System	5,026	2,028	3,027	
Meters	4,310	5,603	7,962	
Miscellaneous Distribution Plant	4,635	4,069	3,734	
Vacation, Holiday, Sick Leave	54,196	58,584	66,950	
Depreciation	318,943	316,474	311,004	
Tax on Rural Property	<u>3,416</u>	<u>3,370</u>	<u>3,394</u>	
Total Distribution Expense	<u>\$854,867</u>	5.6	<u>\$844,525</u>	3.7
			<u>\$834,988</u>	6.0

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - February 2014

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<u>Customer Service Expense</u>			
Customer Information Expense	\$12,023	\$3,126	\$13,611
Energy Efficiency Rebates	20,116	4,414	6,098
Electric Ranges/Dryers Maintenance	441	203	508
Electric Water Heaters Maintenance	<u>168</u>	<u>107</u>	<u>86</u>
Total Customer Service Expense	<u>32,748</u>	0.5	<u>20,303</u>
		<u>7,850</u>	0.1
<u>Consumer Accounts</u>			
Supervision	2,761	2,996	3,076
Meter Reading Expense	8,678	9,857	8,411
Consumer Records and Collection	32,208	30,024	28,416
Uncollectible Accounts Expense	4,317	4,317	3,297
Vacation, Holiday, Sick Leave	<u>3,318</u>	<u>3,794</u>	<u>4,551</u>
Total Consumer Accounts Expense	<u>51,282</u>	0.7	<u>50,988</u>
		<u>0.4</u>	<u>47,751</u>
<u>Administrative and General</u>			
Administrative and General Salaries	165,875	171,719	152,705
Office Supplies and Expenses	16,997	12,040	22,203
Outside Services Employed	86,335	86,385	54,182
Property Insurance	55,053	55,169	46,620
Casualty Ins, Injuries & Damages	41,720	40,355	15,324
Employee Pensions and Benefits	512,053	502,320	502,749
Fringe Benefits Charged to Constr.	(20,826)	(15,074)	(8,151)
Regulatory Commission	8,608	6,797	7,893
Miscellaneous General Expense	47,866	22,194	30,197
Maintenance of General Plant	31,981	28,795	24,099
Maintenance of A/O Center	31,395	32,444	26,062
Vacation, Holiday, Sick Leave	20,909	20,522	26,602
Depreciation	<u>134,595</u>	<u>131,862</u>	<u>128,501</u>
Total Administrative and General	<u>1,132,561</u>	16.3	<u>1,095,528</u>
			9.4
Total Operating Expense	<u><u>\$7,415,606</u></u>		<u><u>\$7,018,614</u></u>
Percent to Operating Revenue		106.8	87.0
			101.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - February 2014

	Budget				
	<u>Estimate</u>	<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>					
Customer Information Expense	\$25,284	\$7,485		\$17,173	
Energy Efficiency Rebates	40,231	14,550		11,377	
Electric Ranges/Dryers Maintenance	982	771		1,238	
Electric Water Heaters Maintenance	400	176		259	
 Total Customer Service Expense	 \$66,897	0.4	\$22,982	0.1	\$30,047
					0.2
 <u>Consumer Accounts</u>					
Supervision	5,476	6,306		6,220	
Meter Reading Expense	17,301	21,162		18,520	
Consumer Records and Collection	64,347	61,279		63,081	
Uncollectible Accounts Expense	8,633	8,633		6,594	
Vacation, Holiday, Sick Leave	8,327	9,902		9,933	
 Total Consumer Accounts Expense	 104,084	0.7	107,282	0.5	104,348
					0.8
 <u>Administrative and General</u>					
Administrative and General Salaries	331,761	361,837		328,631	
Office Supplies and Expenses	43,038	32,387		41,461	
Outside Services Employed	150,354	125,465		92,288	
Property Insurance	110,106	110,338		93,241	
Casualty Ins, Injuries & Damages	85,041	81,510		40,257	
Employee Pensions and Benefits	1,034,880	1,027,115		1,019,403	
Fringe Benefits Charged to Constr.	(40,722)	(34,535)		(23,034)	
Regulatory Commission	17,217	13,885		16,161	
Miscellaneous General Expense	95,822	59,744		67,618	
Maintenance of General Plant	68,815	65,937		49,411	
Maintenance of A/O Center	60,944	66,159		55,582	
Vacation, Holiday, Sick Leave	52,086	53,123		62,438	
Depreciation	269,189	263,724		257,002	
 Total Administrative and General	 2,278,531	14.9	2,226,689	9.7	2,100,459
					15.2
 Total Operating Expense	 \$15,755,961		\$20,165,784		\$14,179,950
 Percent to Operating Revenue		103.3		87.7	102.3

Muscatine Power and Water - Electric Utility
Statistical Data
February 2014

Total Fuel Cost
 (To & Including Ash Handling, Gas & .

	<u>Current Month</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.873	\$1.839
Per Net MW Generated	\$21.92	\$20.15
Net Peak Monthly Demand-KW	115,760	114,210
Date of Peak	2/10	2/1
Hour of Peak	800	1000

	<u>Calendar Year-To-Date</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.879	\$1.829
Per Net MW Generated	\$21.96	\$20.19
Net Peak Monthly Demand-KW	115,760	114,210
Date of Peak	2/10	2/1
Hour of Peak	800	1000
Average Temperature	12.8°	25.8°

<u>Services</u>	<u>2014</u>	<u>2013</u>
Residential	9,747	9,759
Commercial I	1,365	1,381
Commercial II	117	113
Industrial I	10	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,296</u>	<u>11,320</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - February 2014

	<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>73,157,078</u>		<u>117,950,640</u>		<u>83,744,825</u>	
<u>Wholesale Sales</u>	<u>\$2,048,398</u>	<u>\$0.02800</u>	<u>\$6,674,094</u>	<u>\$0.05658</u>	<u>\$2,230,466</u>	<u>\$0.02663</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)						
Emissions:						
SO ² Allowances ^{fn1}	1,409,285	0.01926	2,452,633	0.02079	1,596,931	0.01907
NO _x Allowances ^{fn2}	432	0.00001	69	0.00000	25	0.00000
Other ^{fn3}	6,601	0.00009	8,347	0.00007	4,121	0.00005
Other ^{fn3}	186,673	0.00255	186,673	0.00158	191,059	0.00228
Total Variable Costs	<u>1,602,991</u>	<u>0.02191</u>	<u>2,647,722</u>	<u>0.02245</u>	<u>1,792,136</u>	<u>0.02140</u>
Gross Margin	<u>\$445,407</u>	<u>\$0.00609</u>	<u>\$4,026,372</u>	<u>\$0.03414</u>	<u>\$438,330</u>	<u>\$0.00523</u>
Percent Gross Margin	21.7%		60.3%		19.7%	

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>177,400,778</u>		<u>232,922,503</u>		<u>161,147,077</u>	
<u>Wholesale Sales</u>	<u>\$5,071,465</u>	<u>\$0.02859</u>	<u>\$12,709,966</u>	<u>\$0.05457</u>	<u>\$4,109,542</u>	<u>\$0.02550</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)						
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	3,411,932	0.01923	4,884,440	0.02097	3,071,399	0.01906
NO _x Allowances ^{fn3}	910	0.00001	138	0.00000	46	0.00000
Other ^{fn4}	13,791	0.00008	17,425	0.00007	7,692	0.00005
Other ^{fn4}	373,346	0.00210	373,346	0.00160	382,118	0.00237
Total Variable Costs	<u>3,799,979</u>	<u>0.02142</u>	<u>5,275,349</u>	<u>0.02265</u>	<u>3,461,255</u>	<u>0.02148</u>
Gross Margin	<u>\$1,271,486</u>	<u>\$0.00717</u>	<u>\$7,434,617</u>	<u>\$0.03192</u>	<u>\$648,287</u>	<u>\$0.00402</u>
Percent Gross Margin	25.1%		58.5%		15.8%	

Allowance costs are based on budgeted and market prices for allowances:

	<u>Budget</u>	<u>2014</u>	<u>2013</u>
fn1 SO ² (Acid Rain Program)	\$2.00	\$0.75	\$0.75
YTD SO ²	2.00	0.75	0.75
fn2 NO _x annual	42.50	45.00	40.00
NO _x seasonal	10.00	21.50	0.00
fn3 YTD NO _x annual	42.50	45.00	40.00
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.

Muscatine Power and Water - Electric Utility
SUPPLEMENTAL STATISTICAL DATA - FOR INTERNAL PURPOSES ONLY
February 2014

Delivered to Wholesale Customers

	Current Month 2014 Budget	Current Month 2014 Actual	Current Month 2013 Actual	Year-To-Date 2014 Budget	Year-To-Date 2014 Actual	Year-To-Date 2013 Actual
Wholesale Sales KWHs	<u>73,157,078</u>	<u>117,950,640</u>	<u>83,744,825</u>	<u>177,400,778</u>	<u>232,922,503</u>	<u>161,147,077</u>
Wholesale Sales	<u>\$2,048,398</u>	<u>\$6,674,094</u>	<u>\$2,230,466</u>	<u>\$5,071,465</u>	<u>\$12,709,966</u>	<u>\$4,109,542</u>
Less:						
Production Fuel	1,484,317	2,578,895	1,675,084	3,568,968	5,098,880	3,230,392
Generation-Other	1,814,151	1,763,288	1,522,504	3,572,820	3,561,984	3,269,216
Transmission	162,963	164,606	158,865	377,077	346,662	325,287
Subtotal	<u>3,461,431</u>	<u>4,506,789</u>	<u>3,356,453</u>	<u>7,518,865</u>	<u>9,007,526</u>	<u>6,824,895</u>
Wholesale Margin	<u>(\$1,413,033)</u>	<u>\$2,167,305</u>	<u>(\$1,125,987)</u>	<u>(\$2,447,400)</u>	<u>\$3,702,440</u>	<u>(\$2,715,353)</u>

Delivered to Steam Customer

	Current Month 2014 Budget	Current Month 2014 Actual	Current Month 2013 Actual	Year-To-Date 2014 Budget	Year-To-Date 2014 Actual	Year-To-Date 2013 Actual
Steam Sales - 1,000 lbs.	<u>237,537</u>	<u>234,164</u>	<u>222,457</u>	<u>500,373</u>	<u>492,325</u>	<u>487,114</u>
Steam Sales	<u>\$907,574</u>	<u>\$894,944</u>	<u>\$822,908</u>	<u>\$1,906,083</u>	<u>\$1,880,019</u>	<u>\$1,801,619</u>
Less:						
Production Fuel	543,651	523,527	491,018	1,138,901	1,113,130	1,066,183
Generation-Other	29,855	26,789	29,737	60,345	62,964	59,372
Steam sales Margin	<u>\$334,068</u>	<u>\$344,628</u>	<u>\$302,153</u>	<u>\$706,837</u>	<u>\$703,925</u>	<u>\$676,064</u>

Delivered to Paving Native System Customers

	Current Month 2014 Budget	Current Month 2014 Actual	Current Month 2013 Actual	Year-To-Date 2014 Budget	Year-To-Date 2014 Actual	Year-To-Date 2013 Actual
Native System Sales KWHs	<u>64,738,983</u>	<u>65,826,301</u>	<u>64,979,372</u>	<u>136,210,660</u>	<u>135,471,132</u>	<u>134,320,870</u>
Native System Sales	<u>\$3,898,650</u>	<u>\$4,039,676</u>	<u>\$3,771,221</u>	<u>\$8,078,093</u>	<u>\$8,256,547</u>	<u>\$7,733,953</u>
Less:						
Purchased Power	1,753,267	3,553,564	1,632,842	3,733,471	6,780,686	3,159,658
Distribution	410,811	402,655	411,524	854,867	844,525	834,988
Customer Service	32,748	7,850	20,303	66,897	22,982	30,047
Consumers Accounts	51,282	50,988	47,751	104,084	107,282	104,348
Administrative & General	1,132,561	1,095,528	1,028,986	2,278,531	2,226,689	2,100,459
Subtotal	<u>3,380,669</u>	<u>5,110,585</u>	<u>3,141,406</u>	<u>7,037,850</u>	<u>9,982,164</u>	<u>6,229,500</u>
Native System Margin	517,981	(1,070,909)	629,815	1,040,243	(1,725,617)	1,504,453
Steam Sales Margin	334,068	344,628	302,153	706,837	703,925	676,064
Wholesale Margin	<u>(1,413,033)</u>	<u>2,167,305</u>	<u>(1,125,987)</u>	<u>(2,447,400)</u>	<u>3,702,440</u>	<u>(\$2,715,353)</u>
Net Electric Margin	(560,984)	1,441,024	(194,019)	(700,320)	2,680,748	(534,836)
Other Revenue	91,521	73,237	95,256	192,804	137,423	217,981
Nonoperating Revenue (Expense)	114,250	105,755	104,490	228,537	212,337	208,926
Net Loss Before Revenue Adjustment and Capital Contributions	<u>(\$355,213)</u>	<u>\$1,620,016</u>	<u>\$5,727</u>	<u>(\$278,979)</u>	<u>\$3,030,508</u>	<u>(\$107,929)</u>