

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

March 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 - March 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	68,272,812	52.9	104,398,176	4.7X	18,272,358
Less: Plant Use	<u>7,572,461</u>	43.0	<u>10,825,126</u>	2.4X	<u>3,196,866</u>
Net Generation/Wholesale Sales	<u>60,700,351</u>	54.2	<u>93,573,050</u>	5.2X	<u>15,075,492</u>
<u>Net Capacity Factors</u>					
Unit 9	37.26	68.2	62.68	17.5X	3.39
Unit 8/8A	30.93	66.7	51.55	69.9	30.35
Unit 7	30.00	---	---	---	5.73
Total Plant	35.34	54.0	54.41	5.2X	8.74
<u>KWH Distribution</u>					
Residential	8,155,080	(1.1)	8,066,650	2.2	7,895,465
Commercial I	2,994,990	6.0	3,175,159	2.9	3,087,030
Commercial II	8,390,180	0.4	8,421,333	5.3	8,000,939
Industrial I	9,494,482	(4.1)	9,102,860	(0.5)	9,149,700
Industrial II	39,372,965	0.9	39,723,183	0.5	39,523,736
City Enterprise Funds	492,986	(10.7)	440,479	21.5	362,654
Water & Communications Utilities	<u>1,340,150</u>	(0.3)	<u>1,336,634</u>	8.0	<u>1,237,791</u>
Native System Sales	70,240,833	---	70,266,298	1.5	69,257,315
City Lighting	163,208	(2.1)	159,831	(6.2)	170,470
City Buildings	528,683	8.6	573,907	12.6	509,908
Offline Power Plant Usage	327,090	(32.2)	221,890	(82.4)	1,261,607
Losses & Cycle Billing	<u>2,073,334</u>	(15.2)	<u>1,758,765</u>	1.8X	<u>632,192</u>
Total Native System KWH Distributed/Purchased Power	<u>73,333,148</u>	(0.5)	<u>72,980,691</u>	1.6	<u>71,831,492</u>
<u>STEAM SALES - 1000 lbs</u>	<u>255,871</u>	5.2	<u>269,267</u>	2.4	<u>263,013</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - March 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	260,750,181	9.8	286,190,682	1.1X	138,783,598
Less: Plant Use	<u>27,244,054</u>	15.5	<u>31,470,555</u>	46.4	<u>21,502,098</u>
Net Generation/Wholesale Sales	<u>233,506,127</u>	9.1	<u>254,720,127</u>	1.2X	<u>117,281,500</u>
<u>Net Capacity Factors</u>					
Unit 9	51.47	19.6	61.57	1.6X	24.13
Unit 8/A	36.38	4.7	38.09	23.1	30.95
Unit 7	33.44	-1.0X	---	---	1.95
Total Plant	46.83	5.3	49.30	1.1X	23.26
<u>KWH Distribution</u>					
Residential	26,810,635	(3.2)	25,940,423	4.3	24,867,598
Commercial I	9,510,250	4.0	9,892,557	6.4	9,296,028
Commercial II	25,269,345	(4.0)	24,254,194	0.9	24,038,991
Industrial I	26,990,228	(0.8)	26,775,940	2.2	26,200,560
Industrial II	114,230,245	(1.3)	112,698,452	(2.3)	115,399,973
City Enterprise Funds	1,479,840	(15.5)	1,250,942	9.0	1,147,322
Water & Communications Utilities	<u>3,952,269</u>	(4.5)	<u>3,774,660</u>	5.3	<u>3,583,297</u>
Native System Sales	208,242,812	(1.8)	204,587,168	---	204,533,769
City Lighting	494,218	(1.4)	487,424	(2.1)	498,037
City Buildings	1,748,026	2.0	1,783,688	7.5	1,659,898
Offline Power Plant Usage	327,090	---	---	-1.0X	1,592,599
Losses & Cycle Billing	<u>5,565,055</u>	(0.1)	<u>5,557,252</u>	25.3	<u>4,433,637</u>
Total Native System KWH Distributed/Purchased Power	<u>216,377,201</u>	(1.8)	<u>212,415,532</u>	(0.1)	<u>212,717,940</u>
<u>STEAM SALES - 1000 lbs</u>	<u>739,263</u>	2.3	<u>756,381</u>	(3.1)	<u>780,739</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - March 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	\$703,761	0.0863	\$740,644	0.0918	\$661,329	0.0838
Commercial I	244,732	0.0817	258,544	0.0814	246,580	0.0799
Commercial II	511,234	0.0609	496,748	0.0590	486,477	0.0608
Industrial I	508,281	0.0535	487,695	0.0536	473,817	0.0518
Industrial II	1,846,714	0.0469	1,842,091	0.0464	1,767,081	0.0447
City Enterprise Funds	28,723	0.0583	25,704	0.0584	22,105	0.0610
Water & Communication Utilities	66,659	0.0497	66,436	0.0497	59,694	0.0482
Native System Sales	3,910,104	0.0557	3,917,862	0.0558	3,717,083	0.0537
Wholesale Sales	1,244,357	0.0205	2,750,048	0.0294	257,820	0.0171
Energy Sales	<u>5,154,461</u>		<u>6,667,910</u>		<u>3,974,903</u>	
<u>Steam Sales</u>	947,470	3.70	996,606	3.70	967,142	3.68
<u>Other Revenue</u>						
Rail Car Lease	181,667		59,443		59,443	
By-Product Revenue	16,655		8,483		5,888	
Miscellaneous Revenue	45,492		37,442		43,801	
Total Other Revenue	<u>243,814</u>		<u>105,368</u>		<u>109,132</u>	
Operating Revenue	<u>6,345,745</u>		<u>7,769,884</u>		<u>5,051,177</u>	
<u>Operating Expense</u>						
Purchased Power	1,393,330	0.0190	1,858,524	0.0255	1,054,567	0.0147
Production Fuel	1,758,173		2,473,149		881,990	
Emissions Allowance	5,261		8,566		4,846	
Operation	1,966,690		1,844,247		1,666,785	
Maintenance	875,500		602,128		848,031	
Depreciation	944,954		937,001		929,362	
Total Operating Expense	<u>6,943,908</u>		<u>7,723,615</u>		<u>5,385,581</u>	
Operating Income (Loss)	<u>(598,163)</u>		<u>46,269</u>		<u>(334,404)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	110,613		105,123		108,834	
Interest Expense	<u>(450)</u>		<u>(391)</u>		<u>(117)</u>	
Total Nonoperating Revenue (Expense)	<u>110,163</u>		<u>104,732</u>		<u>108,717</u>	
Net Income (Loss) Before Revenue Adjustment	<u>(488,000)</u>		<u>151,001</u>		<u>(225,687)</u>	
Capital Contributions	---		5,047		---	
Change in Net Position	<u>(488,000)</u>		<u>156,048</u>		<u>(225,687)</u>	
Beginning Net Position	<u>163,245,925</u>		<u>163,757,846</u>		<u>165,874,309</u>	
Ending Net Position	<u>\$162,757,925</u>		<u>\$163,913,894</u>		<u>\$165,648,622</u>	
Net Loss Before Rev Adj to Op Revenue	(7.7)		1.9		(4.5)	
Change in Net Position to Operating Revenue	(7.7)		2.0		(4.5)	

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

	<u>Budget</u> <u>Estimate</u>	<u>Avg.</u> <u>Price</u>	<u>This</u> <u>Year</u>	<u>Avg.</u> <u>Price</u>	<u>Last</u> <u>Year</u>	<u>Avg.</u> <u>Price</u>
<u>Sales of Electricity</u>						
Residential	\$2,280,389	0.0851	\$2,357,340	0.0909	\$2,066,642	0.0831
Commercial I	773,164	0.0813	802,989	0.0812	741,466	0.0798
Commercial II	1,548,398	0.0613	1,458,452	0.0601	1,446,769	0.0602
Industrial I	1,473,232	0.0546	1,444,538	0.0539	1,379,878	0.0527
Industrial II	5,390,794	0.0472	5,323,280	0.0472	5,205,698	0.0451
City Enterprise Funds	85,698	0.0579	73,889	0.0591	66,852	0.0583
Water & Communications Utilities	<u>196,893</u>	<u>0.0498</u>	<u>191,326</u>	<u>0.0507</u>	<u>177,385</u>	<u>0.0495</u>
Native System Sales	11,748,568	0.0564	11,651,814	0.0570	11,084,690	0.0542
Wholesale Sales	<u>5,768,560</u>	<u>0.0247</u>	<u>6,859,590</u>	<u>0.0269</u>	<u>2,759,874</u>	<u>0.0235</u>
Energy Sales	<u>17,517,128</u>		<u>18,511,404</u>		<u>13,844,564</u>	
Steam Sales	2,737,480	3.70	2,798,225	3.70	2,866,874	3.67
<u>Other Revenue</u>						
Rail Car Lease	218,000		172,575		246,042	
By-Product Revenue	66,794		18,869		16,647	
Miscellaneous Revenue	<u>139,208</u>		<u>131,907</u>		<u>117,103</u>	
Total Other Revenue	<u>424,002</u>		<u>323,351</u>		<u>379,792</u>	
Operating Revenue	<u>20,678,610</u>		<u>21,632,980</u>		<u>17,091,230</u>	
<u>Operating Expense</u>						
Purchased Power	4,835,234	0.0223	5,018,182	0.0236	4,084,929	0.0192
Production Fuel	6,249,291		6,769,723		4,171,963	
Emissions Allowance	15,784		23,216		19,297	
Operation	5,769,289		5,393,322		5,075,188	
Maintenance	2,399,948		1,888,119		1,999,660	
Depreciation	<u>2,834,861</u>		<u>2,811,003</u>		<u>2,788,086</u>	
Total Operating Expense	<u>22,104,407</u>		<u>21,903,565</u>		<u>18,139,123</u>	
Operating Loss	<u>(1,425,797)</u>		<u>(270,585)</u>		<u>(1,047,893)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	331,122		314,256		319,693	
Interest Expense	<u>(1,350)</u>		<u>(599)</u>		<u>(438)</u>	
Total Nonoperating Revenue (Expense)	<u>329,772</u>		<u>313,657</u>		<u>319,255</u>	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(1,096,025)		43,072		(728,638)	
Capital Contributions	---		16,872		4,000,000	
Change in Net Position	(1,096,025)		59,944		3,271,362	
Beginning Net Position	<u>163,853,950</u>		<u>163,853,950</u>		<u>162,377,260</u>	
Ending Net Position	<u>\$162,757,925</u>		<u>\$163,913,894</u>		<u>\$165,648,622</u>	
Net Loss Before Rev Adj to Op Revenue	(5.3)		0.2		(4.3)	
Change in Net Position to Operating Revenue	(5.3)		0.3		19.1	

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

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$5,233,022	\$5,251,734
Investments	<u>799,662</u>	<u>857,345</u>
Total Restricted Current Assets	<u>6,032,684</u>	<u>6,109,079</u>
<u>Unrestricted</u>		
Cash - interest bearing	9,281,873	6,701,378
Investments	9,200,993	---
Receivables:		
Consumer Accounts	5,272,106	4,401,077
Wholesale	710,718	---
Steam Sales	1,065,771	1,206,019
Interest	312,087	315,726
Intercompanies	226	14,078
Inventories	6,626,561	6,660,298
Fuel	7,173,183	14,526,769
Prepaid Expenses	<u>1,223,128</u>	<u>1,100,722</u>
Total Unrestricted Current Assets	<u>40,866,646</u>	<u>34,926,067</u>
Total Current Assets	<u>46,899,330</u>	<u>41,035,146</u>
Property and Equipment:		
At Cost	409,833,789	407,710,049
Less Accumulated Depreciation	<u>314,499,808</u>	<u>304,107,157</u>
Net Property and Equipment	<u>95,333,981</u>	<u>103,602,892</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Joint Venture Rights	<u>102,380</u>	<u>118,311</u>
Total Other Assets	<u>35,429,380</u>	<u>35,445,311</u>
TOTAL ASSETS	<u><u>\$177,662,691</u></u>	<u><u>\$180,083,349</u></u>

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

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$1,608,756	\$2,253,166
Pension Provision	576,950	552,570
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	611,356	563,116
Accrued Vacation	1,195,854	1,140,354
Accrued Emission Allowance Expense	89,241	301,104
Consumers' Deposits	583,307	592,967
Accrued Property Taxes	85,680	80,937
Miscellaneous Accrued Expenses	744,593	557,953
Miscellaneous Deferred Credits	---	10,350
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	<hr/>	<hr/>
	5,669,563	6,249,050
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,691,268	1,826,646
Post-Employment Health Benefit Provision	174,730	145,796
Consumer Advances for Construction	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	<hr/>	<hr/>
	2,046,368	2,152,812
Deferred Revenue - Extraordinary O & M	<hr/>	<hr/>
	6,032,866	6,032,866
Net Position:		
Net Investment in Capital Assets	95,333,981	103,602,892
Restricted	6,032,684	6,109,079
Unrestricted	62,547,229	55,936,650
	<hr/>	<hr/>
Total Net Position	<hr/>	<hr/>
	163,913,894	165,648,621
TOTAL LIABILITIES AND NET POSITION	<hr/>	<hr/>
	<hr/>	<hr/>
	\$177,662,691	\$180,083,349

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$3,354,466	\$11,037,492
MISO sales	1,329,048	5,245,170
Steam sales	817,817	2,667,902
Coal & transportation allowances	—	3,925
Railcar leasing	53,690	190,026
By-product sales	7,781	31,923
Miscellaneous sources	27,464	149,500
Cash paid to/for:		
Suppliers	(357,860)	(1,892,600)
MISO purchases/administration fees	(1,733,875)	(4,908,210)
Coal	(19,803)	(446,012)
Employees payroll, taxes and benefits	<u>(1,541,093)</u>	<u>(4,703,480)</u>
Net cash flows from operating activities	<u>1,937,635</u>	<u>7,375,636</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(189,111)</u>	<u>(441,560)</u>
Net cash flows from capital and related financing activities	<u>(189,111)</u>	<u>(441,560)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	—	(19,280)
Interest received on investments and note receivable	623	625,423
Mark to Market	<u>357</u>	<u>357</u>
Net cash flows from investing activities	<u>980</u>	<u>606,500</u>
Net increase in cash and investments	<u>1,749,504</u>	<u>7,540,576</u>
Cash and investments at beginning of period	<u>22,766,046</u>	<u>16,974,974</u>
Cash and investments at end of period	<u><u>\$24,515,550</u></u>	<u><u>\$24,515,550</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$46,269	(\$270,585)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	2,811,003
Amortization of joint venture rights	8,410	27,458
Changes in assets and liabilities:		
Consumer accounts receivable	(563,256)	(501,496)
Wholesale receivable	(443,011)	(616,139)
Steam sales receivable	(179,136)	(131,240)
Intercompany receivable	(226)	16,985
Inventories	74,150	58,749
Fuel	1,513,096	5,614,977
Prepaid expenses	(622,042)	(746,581)
Accounts payable	803,692	203,935
Pension provision	192,317	576,950
Health & dental insurance provision	49,811	41,533
Other post-employment benefit provision	1,989	5,966
Accrued payroll	79,156	219,570
Accrued vacation	32,115	84,010
Accrued emission allowance expense	8,566	23,216
Consumers' deposits	2,654	8,391
Accrued property taxes	(37,686)	(20,639)
Miscellaneous accrued expenses	44,116	(16,577)
Miscellaneous deferred credits	<u>(10,350)</u>	<u>(13,850)</u>
Net cash flows from operating activities	<u><u>\$1,937,635</u></u>	<u><u>\$7,375,636</u></u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,684</u>	<u>\$6,109,079</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$6,032,684</u>	<u>\$6,109,079</u>

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
Purchased Power	\$1,393,330	22.0	\$1,858,524
Average price per kWh	\$0.0190	\$0.0255	23.9
			\$1,054,567
			\$0.0147
Generation			20.9
Operation Supervision	76,385	77,815	76,155
Fuel:			
Coal	1,660,776	2,371,551	804,736
Fuel Oil	15,119	23,908	8,099
Gas	18,000	6,353	8,480
Coal Handling Expense	61,565	68,932	52,734
Landfill Operation Expense	2,713	2,405	7,941
Emissions Allowance Expense	5,261	8,566	4,846
Steam Expense:			
Boiler	153,284	152,992	87,990
Pollution Control	42,371	35,901	19,049
Electric Expense	93,279	87,277	90,800
Miscellaneous Steam Power Expense	199,134	178,669	131,934
Maintenance:			
Supervision	76,960	79,950	82,442
Structures	63,314	58,389	44,622
Boiler Plant:			
Boiler	177,878	117,317	365,828
Pollution Control	90,388	34,987	31,150
Electric Plant	89,312	18,857	23,844
System Control	22,387	16,255	17,830
Miscellaneous Steam Plant	79,429	58,861	71,608
Coal Handling Equipment	68,801	38,101	59,266
System Control and Load Dispatch	23,492	29,781	51,045
Vacation, Holiday, Sick Leave	99,161	109,949	86,869
Depreciation	<u>624,688</u>	<u>622,373</u>	<u>622,359</u>
Total Generation Expense	\$3,743,697	59.0	\$4,199,189
			54.0
			\$2,749,627
			54.4

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

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	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
Purchased Power	\$4,835,234	23.4	\$5,018,182	23.2	\$4,084,929
Average price per kWh	\$0.0223		\$0.0236		\$0.0192
Generation					
Operation Supervision	230,571		234,873		224,353
Fuel:					
Coal	5,915,694		6,492,087		3,919,775
Fuel Oil	45,117		30,605		9,352
Gas	68,800		25,986		40,137
Coal Handling Expense	213,727		206,598		183,100
Landfill Operation Expense	5,953		14,447		19,599
Emissions Allowance Expense	15,784		23,216		19,297
Steam Expense:					
Boiler	381,824		328,862		276,213
Pollution Control	131,746		103,586		77,143
Electric Expense	287,029		273,585		280,348
Miscellaneous Steam Power Expense	548,176		501,455		396,806
Maintenance:					
Supervision	226,686		235,101		232,543
Structures	172,617		157,256		145,010
Boiler Plant:					
Boiler	609,994		306,930		548,077
Pollution Control	135,608		128,464		133,868
Electric Plant	187,645		87,526		89,824
System Control	59,756		59,050		49,585
Miscellaneous Steam Plant	237,865		182,726		188,127
Coal Handling Equipment	182,599		179,552		170,241
System Control and Load Dispatch	73,990		80,696		162,431
Vacation, Holiday, Sick Leave	268,945		304,631		292,225
Depreciation	<u>1,874,064</u>		<u>1,867,119</u>		<u>1,867,077</u>
Total Generation Expense	<u>\$11,874,190</u>	57.4	<u>\$11,824,351</u>	54.7	<u>\$9,325,131</u>
					54.6

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<u>Transmission</u>			
Operation Supervision	\$3,734	\$3,758	\$3,640
Load Dispatching	43,504	49,704	10,115
Station Expense	6,421	5,711	10,366
Overhead Line Expense	---	514	159
Transmission of Electricity by Others	10,933	12,038	2,809
Miscellaneous Transmission Expense	12,051	5,119	5,535
Maintenance:			
Supervision	1,878	1,811	1,364
Structures	110	---	---
Station Equipment	6,475	8,010	1,879
Overhead Lines	10,048	11,331	13,978
Vacation, Holiday, Sick Leave	7,201	8,033	4,798
Depreciation	30,745	30,625	30,625
Tax on Rural Property	<u>5,682</u>	<u>5,778</u>	<u>5,694</u>
Total Transmission Expense	<u>138,782</u>	2.2	<u>90,962</u>
		1.8	1.8
<u>Distribution</u>			
Operation Supervision	10,989	10,748	8,508
Load Dispatching	35,566	24,403	28,446
Station Expense	7,756	3,041	8,583
Overhead Line Expense	3,948	260	2,066
Vehicle Expense	15,655	15,976	13,252
Underground Line Expense	3,164	3,000	2,258
Street Lighting	1,655	409	3,079
Signal Expense	478	535	49
Meter Expense	9,797	12,130	6,636
Consumer Installation Expense	586	872	1,274
Miscellaneous Distribution Expense	58,780	51,181	61,047
Maintenance:			
Supervision	10,106	9,742	7,372
Structures	362	---	—
Station Equipment	10,402	7,284	5,136
Overhead Lines	60,428	69,025	45,105
Underground Lines	9,089	3,241	5,451
Line Transformers	3,175	11,382	1,209
Street Lighting	5,040	3,676	1,678
Signal System	4,294	1,144	3,769
Meters	2,162	1,638	340
Miscellaneous Distribution Plant	2,278	1,645	2,830
Vacation, Holiday, Sick Leave	31,827	35,563	20,590
Depreciation	156,137	155,502	152,158
Tax on Rural Property	<u>1,697</u>	<u>1,723</u>	<u>1,713</u>
Total Distribution Expense	<u>\$445,371</u>	7.0	<u>\$382,549</u>
		5.5	7.6

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<u>Transmission</u>			
Operation Supervision	\$10,949	\$11,828	\$10,156
Load Dispatching	134,295	166,349	61,925
Station Expense	21,603	17,943	30,103
Overhead Line Expense	125	1,129	1,572
Transmission of Electricity by Others	32,799	36,611	7,696
Miscellaneous Transmission Expense	33,329	18,774	17,995
Maintenance:			
Supervision	5,532	5,658	3,944
Structures	244	--	--
Station Equipment	21,136	23,725	11,535
Overhead Lines	32,405	55,749	36,537
Vacation, Holiday, Sick Leave	19,283	20,936	15,067
Depreciation	92,234	91,875	91,875
Tax on Rural Property	<u>17,046</u>	<u>17,142</u>	<u>16,905</u>
Total Transmission Expense	<u>420,980</u>	2.0	<u>305,310</u>
		467,719	2.2
		2.2	1.8
<u>Distribution</u>			
Operation Supervision	31,138	33,476	24,060
Load Dispatching	104,506	74,616	87,367
Station Expense	23,866	14,566	27,998
Overhead Line Expense	13,940	4,655	5,146
Vehicle Expense	46,916	50,808	40,323
Underground Line Expense	9,840	5,899	6,412
Street Lighting	4,965	3,087	8,551
Signal Expense	4,967	535	789
Meter Expense	24,849	30,446	24,768
Consumer Installation Expense	1,859	2,750	4,460
Miscellaneous Distribution Expense	159,989	152,227	175,568
Maintenance:			
Supervision	28,467	30,286	21,073
Structures	1,174	--	--
Station Equipment	31,718	19,168	17,078
Overhead Lines	174,980	193,721	140,989
Underground Lines	26,119	13,586	14,483
Line Transformers	10,260	26,415	8,550
Street Lighting	15,121	9,581	12,385
Signal System	9,174	4,171	6,219
Meters	6,244	9,599	4,310
Miscellaneous Distribution Plant	6,834	5,379	7,287
Vacation, Holiday, Sick Leave	84,870	102,514	66,938
Depreciation	468,412	466,506	456,474
Tax on Rural Property	<u>5,091</u>	<u>5,117</u>	<u>5,062</u>
Total Distribution Expense	<u>\$1,295,299</u>	6.3	<u>\$1,259,108</u>
		5.8	<u>\$1,166,290</u>
		6.8	

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>	
<u>Customer Service Expense</u>				
Customer Information Expense	\$11,554	\$5,680	\$25,019	
Energy Efficiency Rebates	19,892	4,278	26,192	
Electric Ranges/Dryers Maintenance	448	569	964	
Electric Water Heaters Maintenance	<u>178</u>	<u>--</u>	<u>370</u>	
Total Customer Service Expense	<u>32,072</u>	0.5	<u>10,527</u>	0.1
				<u>52,545</u>
				1.0
<u>Consumer Accounts</u>				
Supervision	2,674	2,384	1,724	
Meter Reading Expense	8,147	8,898	9,787	
Consumer Records and Collection	30,718	28,008	28,905	
Uncollectible Accounts Expense	3,297	3,297	2,402	
Vacation, Holiday, Sick Leave	<u>4,866</u>	<u>5,167</u>	<u>3,705</u>	
Total Consumer Accounts Expense	<u>49,702</u>	0.8	<u>47,754</u>	0.6
				<u>46,523</u>
				0.9
<u>Administrative and General</u>				
Administrative and General Salaries	159,309	159,512	154,776	
Office Supplies and Expenses	21,457	10,622	12,063	
Outside Services Employed	72,774	36,361	54,883	
Property Insurance	46,378	46,620	38,809	
Casualty Ins, Injuries & Damages	36,613	35,165	25,174	
Employee Pensions and Benefits	519,898	504,204	496,115	
Fringe Benefits Charged to Constr.	(18,296)	(17,145)	(19,943)	
Regulatory Commission	8,567	8,268	4,400	
Miscellaneous General Expense	50,350	46,789	36,339	
Maintenance of General Plant	46,587	22,615	22,172	
Maintenance of A/O Center	34,597	26,867	39,158	
Vacation, Holiday, Sick Leave	29,336	32,690	20,642	
Depreciation	<u>133,384</u>	<u>128,501</u>	<u>124,220</u>	
Total Administrative and General	<u>1,140,954</u>	18.0	<u>1,041,069</u>	13.4
				<u>1,008,808</u>
				20.0
Total Operating Expense	<u>\$6,943,908</u>		<u>\$7,723,615</u>	<u>\$5,385,581</u>
Percent to Operating Revenue		109.4	99.4	106.6

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<u>Customer Service Expense</u>			
Customer Information Expense	\$41,285	\$22,853	38,942
Energy Efficiency Rebates	59,677	15,654	64,680
Electric Ranges/Dryers Maintenance	1,544	1,807	2,911
Electric Water Heaters Maintenance	500	259	1,313
 Total Customer Service Expense	 <u>\$103,006</u>	 0.5	 <u>\$107,846</u> 0.6
 <u>Consumer Accounts</u>			
Supervision	7,977	8,604	5,994
Meter Reading Expense	24,584	27,418	28,216
Consumer Records and Collection	98,537	91,089	82,146
Uncollectible Accounts Expense	9,890	9,891	7,207
Vacation, Holiday, Sick Leave	12,969	15,101	12,235
 Total Consumer Accounts Expense	 <u>153,957</u>	 0.7	 <u>135,798</u> 0.8
 <u>Administrative and General</u>			
Administrative and General Salaries	478,062	488,143	450,729
Office Supplies and Expenses	71,156	52,083	43,737
Outside Services Employed	234,038	128,649	135,048
Property Insurance	139,133	139,861	116,426
Casualty Ins, Injuries & Damages	109,840	75,422	124,187
Employee Pensions and Benefits	1,572,562	1,523,607	1,480,393
Fringe Benefits Charged to Constr.	(50,256)	(40,179)	(50,901)
Regulatory Commission	25,700	24,429	13,200
Miscellaneous General Expense	145,508	114,407	92,213
Maintenance of General Plant	102,756	72,027	66,999
Maintenance of A/O Center	115,014	82,449	90,996
Vacation, Holiday, Sick Leave	78,077	95,128	78,132
Depreciation	400,151	385,503	372,660
 Total Administrative and General	 <u>3,421,741</u>	 16.5	 <u>3,013,819</u> 17.6
 Total Operating Expense	 <u>\$22,104,407</u>	 <u>\$21,903,565</u>	 <u>\$18,139,123</u>
 Percent to Operating Revenue	 106.9	 101.3	 106.1

Muscatine Power and Water - Electric Utility
Statistical Data
March 2013

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

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.852	\$1.949
Per Net MW Generated	\$20.11	\$20.27
Net Peak Monthly Demand-KW	114,210	113,250
Date of Peak	3/20	3/5
Hour of Peak	0800	0900
	<u>Calendar Year-To-Date</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.837	\$1.879
Per Net MW Generated	\$20.16	\$20.91
Net Peak Monthly Demand-KW	114,210	114,950
Date of Peak	2/1	2/13
Hour of Peak	1000	1200
Average Temperature	30.3°	52.8°
<u>Services</u>	<u>2013</u>	<u>2012</u>
Residential	9,756	9,736
Commercial I	1,383	1,393
Commercial II	114	116
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,320</u>	<u>11,313</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - March 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>60,700,351</u>		<u>93,573,050</u>		<u>15,075,492</u>	
<u>Wholesale Sales</u>	<u>\$1,244,357</u>	<u>\$0.0205</u>	<u>\$2,750,048</u>	<u>\$0.0294</u>	<u>\$257,820</u>	<u>\$0.0171</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	1,126,029	0.0186	1,789,577	0.0191	240,773	0.0160
Emissions:						
SO ² Allowances ^{fn1}	231	0.0000	48	0.0000	48	0.0000
NO _x Allowances ^{fn2}	4,055	0.0001	5,726	0.0001	1,389	0.0001
Other ^{fn3}	<u>191,059</u>	<u>0.0031</u>	<u>191,059</u>	<u>0.0020</u>	<u>193,544</u>	<u>0.0128</u>
Total Variable Costs	<u>1,321,374</u>	<u>0.0218</u>	<u>1,986,410</u>	<u>0.0212</u>	<u>435,754</u>	<u>0.0289</u>
Gross Margin	<u>(\$77,017)</u>	<u>(\$0.0013)</u>	<u>\$763,638</u>	<u>\$0.0082</u>	<u>(\$177,934)</u>	<u>(\$0.0118)</u>
Percent Gross Margin	-6.2%		27.8%		-69.0%	

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>233,506,127</u>		<u>254,720,127</u>		<u>117,281,500</u>	
<u>Wholesale Sales</u>	<u>\$5,768,560</u>	<u>\$0.0247</u>	<u>\$6,859,590</u>	<u>\$0.0269</u>	<u>\$2,759,874</u>	<u>\$0.0235</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	4,384,521	0.0188	4,860,976	0.0191	2,221,843	0.0189
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	670	0.0000	93	0.0000	160	0.0000
NO _x Allowances ^{fn3}	11,758	0.0001	13,417	0.0001	8,734	0.0001
Other ^{fn4}	<u>573,177</u>	<u>0.0025</u>	<u>573,177</u>	<u>0.0023</u>	<u>580,632</u>	<u>0.0050</u>
Total Variable Costs	<u>4,970,126</u>	<u>0.0213</u>	<u>5,447,663</u>	<u>0.0214</u>	<u>2,811,369</u>	<u>0.0240</u>
Gross Margin	<u>\$798,434</u>	<u>\$0.0034</u>	<u>\$1,411,927</u>	<u>\$0.0055</u>	<u>(\$51,495)</u>	<u>(\$0.0004)</u>
Percent Gross Margin	13.8%		20.6%		-1.9%	

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	42.50
NO _x seasonal	10.00	0.00	0.00
fn3 YTD NO _x annual	42.50	40.00	51.46
YTD NO _x seasonal	10.00	0.00	0.00

fn4 Other includes variable generation O&M, rail car cost, and Title V permit fees. Costs included have been amortized evenly over the year.