

Muscatine Power and Water

Electric Utility

Operating Statements and Balance Sheets

July 2007

**Muscatine Power and Water
Electric Utility**

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Muscatine Power and Water - Electric Utility
Classification of Electric Energy Distribution
Current Month - July 2007

	<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>
Electric Energy					
<u>Distribution - KWH</u>					
Residential	11,638,000	(6.6)	10,871,231	(3.6)	11,277,040
Commercial I	4,111,700	(5.9)	3,869,506	(2.7)	3,975,737
Commercial II	11,151,100	(2.6)	10,866,238	(2.6)	11,153,437
Industrial I	12,480,500	3.7	12,946,680	3.8	12,470,440
Industrial II	38,077,900	1.9	38,785,558	(2.4)	39,719,570
City Enterprise Funds	463,300	(10.4)	415,222	(11.9)	471,484
Water & Communications Utilities	<u>1,594,494</u>	13.4	<u>1,808,164</u>	(0.9)	<u>1,823,962</u>
Native System Sales	79,516,994	0.1	79,562,599	(1.6)	80,891,670
Wholesale Sales	<u>48,945,000</u>	(14.1)	<u>42,032,000</u>	(15.8)	<u>49,914,000</u>
Total Sales Delivered to Paying Consumers	128,461,994	(5.3)	121,594,599	(7.0)	130,805,670
City Lighting	175,200	(5.6)	165,416	(4.6)	173,341
City Buildings	562,600	(1.8)	552,325	(4.0)	575,573
MAPP Schedule	---	---	236,000	---	89,000
Losses & Cycle Billing	<u>4,144,000</u>	(17.5)	<u>3,417,669</u>	(29.0)	<u>4,812,201</u>
Total KWH Distributed	<u><u>133,343,794</u></u>	(5.5)	<u><u>125,966,009</u></u>	(7.7)	<u><u>136,455,785</u></u>
<u>KWH Generated and Received</u>					
Gross Generation	147,472,794	(6.1)	138,504,809	(7.4)	149,514,785
Less: Plant Use	<u>14,129,000</u>	(11.0)	<u>12,568,800</u>	(4.8)	<u>13,203,000</u>
Net Generation	133,343,794	(5.6)	125,936,009	(7.6)	136,311,785
Purchased Power	---	---	---	---	---
MAPP Schedule	<u>---</u>	<u>---</u>	<u>30,000</u>	(79.2)	<u>144,000</u>
Total Net Generated and Received	<u><u>133,343,794</u></u>	(5.5)	<u><u>125,966,009</u></u>	(7.7)	<u><u>136,455,785</u></u>
<u>Steam Sales - 1000 lbs</u>	<u><u>197,160</u></u>	12.2	<u><u>221,308</u></u>	8.0	<u><u>204,922</u></u>
<u>Purchased Power</u>					
Other	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
<u>Resale and Demand</u>					
OPPM	14,711,000		\$830,882		0.0565
PELLA	5,077,000		245,957		0.0484
REM	21,868,000		1,093,491		0.0500
Other	<u>376,000</u>		<u>14,794</u>		<u>0.0393</u>
	<u><u>42,032,000</u></u>		<u><u>\$2,185,124</u></u>		<u><u>\$0.0520</u></u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy Distribution
Calendar Year-to-Date - July 2007

	<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>
Electric Energy					
<u>Distribution - KWH</u>					
Residential	57,603,800	1.9	58,691,507	3.4	56,755,192
Commercial I	23,109,400	2.9	23,786,049	5.9	22,451,239
Commercial II	69,608,600	(3.6)	67,134,304	(0.1)	67,194,594
Industrial I	78,864,700	1.3	79,874,735	0.1	79,833,240
Industrial II	269,821,900	(3.4)	260,577,697	(0.2)	261,035,904
City Enterprise Funds	3,441,900	2.8	3,539,382	10.1	3,213,690
Water & Communication Utilities	<u>10,274,258</u>	14.6	<u>11,775,387</u>	5.1	<u>11,204,161</u>
Native System Sales	512,724,558	(1.4)	505,379,061	0.7	501,688,020
Wholesale Sales	<u>281,378,000</u>	16.9	<u>329,048,000</u>	3.9	<u>316,555,000</u>
Total Sales Delivered to Paying Consumers	794,102,558	5.1	834,427,061	2.0	818,243,020
City Lighting	1,191,700	(2.4)	1,162,944	(0.8)	1,172,244
City Buildings	3,808,700	(0.5)	3,790,250	2.0	3,715,533
MAPP Schedule	---	---	1,169,000	(16.5)	1,400,000
Losses & Cycle Billing	<u>17,409,000</u>	1.9	<u>17,746,178</u>	0.1	<u>17,721,681</u>
Total KWH Distributed	<u>816,511,958</u>	5.1	<u>858,295,433</u>	1.9	<u>842,252,478</u>
<u>KWH Generated and Received</u>					
Gross Generation	853,703,958	4.7	894,172,933	4.9	852,388,378
Less: Plant Use	<u>79,107,000</u>	1.7	<u>80,432,500</u>	2.1	<u>78,809,900</u>
Net Generation	774,596,958	5.1	813,740,433	5.2	773,578,478
Purchased Power	41,915,000	2.8	43,075,000	(36.6)	67,926,000
MAPP Schedule	<u>---</u>	<u>---</u>	<u>1,480,000</u>	97.9	<u>748,000</u>
Total Net Generated and Received	<u>816,511,958</u>	5.1	<u>858,295,433</u>	1.9	<u>842,252,478</u>
<u>Steam Sales - 1000 lbs</u>	<u>1,381,560</u>	7.4	<u>1,484,192</u>	6.2	<u>1,397,184</u>
<u>Purchased Power</u>					
	<u>KWH</u>		<u>Amount</u>		<u>Avg. Price</u>
OPPM	42,475,000		\$2,241,920		0.0528
REM	600,000		21,780		0.0363
Other	<u>---</u>		<u>(199)</u>		<u>---</u>
	<u>43,075,000</u>		<u>\$2,263,501</u>		<u>\$0.0525</u>
<u>Resale and Demand</u>					
OPPM	125,068,000		\$5,698,390		0.0456
PELLA	34,362,000		1,279,353		0.0372
REM	168,987,000		7,236,776		0.0428
Other	<u>631,000</u>		<u>33,161</u>		<u>0.0526</u>
	<u>329,048,000</u>		<u>\$14,247,680</u>		<u>\$0.0433</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Current Month - July 2007

	<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	\$810,000	0.0696	\$763,953	0.0703	\$788,192	0.0699
Commercial I	301,300	0.0733	286,423	0.0740	290,455	0.0731
Commercial II	597,400	0.0536	578,345	0.0532	595,329	0.0534
Industrial I	565,100	0.0453	576,492	0.0445	561,785	0.0450
Industrial II	1,568,600	0.0412	1,594,823	0.0411	1,622,662	0.0409
City Enterprise Funds	25,600	0.0553	20,565	0.0495	22,286	0.0473
Water & Communication Utilities	73,806	0.0463	77,347	0.0428	78,919	0.0433
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Native System Sales	3,941,806	0.0496	3,897,948	0.0490	3,959,628	0.0489
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Wholesale Sales	2,153,580	0.0440	2,185,124	0.0520	2,178,965	0.0437
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Energy Sales	6,095,386		6,083,072		6,138,593	
	<hr/>		<hr/>		<hr/>	
<u>Steam Sales</u>	666,795	3.38	740,950	3.35	652,298	3.18
	<hr/>		<hr/>		<hr/>	
<u>Other Revenue</u>						
Rail Car Lease	---		(4,841)		49,197	
By-Product Revenue	45,830		44,502		48,136	
Miscellaneous Revenue	34,639		35,464		45,451	
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Total Other Revenue	80,469		75,125		142,784	
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Operating Revenue	6,842,650		6,899,147		6,933,675	
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<u>Operating Expense</u>						
Production Fuel and Purchased Power	1,927,797		1,887,171		1,688,473	
Operation	1,568,671		1,432,980		1,430,218	
Maintenance	721,620		708,410		564,656	
Depreciation	1,145,808		1,137,400		1,114,784	
	<hr/>		<hr/>		<hr/>	
Total Operating Expense	5,363,896		5,165,961		4,798,131	
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Operating Income	1,478,754		1,733,186		2,135,544	
	<hr/>		<hr/>		<hr/>	
<u>Interest and Miscellaneous</u>						
Interest Income	253,103		417,504		354,025	
Interest Expense	(291,444)		(291,443)		(346,991)	
Gain on Land Disposal	---		18,250		---	
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Total Interest and Misc.	(38,341)		144,311		7,034	
	<hr/>		<hr/>		<hr/>	
Net Income Before Capital Contributions	1,440,413		1,877,497		2,142,578	
	<hr/>		<hr/>		<hr/>	
Capital Contributions	---		---		4,942	
	<hr/>		<hr/>		<hr/>	
Change in Net Assets	1,440,413		1,877,497		2,147,520	
	<hr/>		<hr/>		<hr/>	
Beginning Net Assets	146,227,697		148,812,025		137,061,778	
	<hr/>		<hr/>		<hr/>	
Ending Net Assets	\$147,668,110		\$150,689,522		\$139,209,298	
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Percent to Total Income	20.3		25.7		29.4	
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Debt Service Coverage	2.18		2.42		2.67	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Calendar Year-to-Date - July 2007

	<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	\$4,181,400	0.0726	\$4,250,475	0.0724	\$4,128,376	0.0727
Commercial I	1,722,300	0.0745	1,774,807	0.0746	1,679,474	0.0748
Commercial II	3,778,200	0.0543	3,673,876	0.0547	3,690,266	0.0549
Industrial I	3,627,400	0.0460	3,634,816	0.0455	3,621,124	0.0454
Industrial II	11,200,900	0.0415	10,830,662	0.0416	10,834,819	0.0415
City Enterprise Funds	191,200	0.0556	170,305	0.0481	155,939	0.0485
Water & Communications Utilities	486,742	0.0474	518,773	0.0441	513,118	0.0458
Native System Sales	25,188,142	0.0491	24,853,714	0.0492	24,623,116	0.0491
Wholesale Sales	12,172,357	0.0433	14,247,680	0.0433	12,896,861	0.0407
Energy Sales	37,360,499		39,101,394		37,519,977	
<u>Steam Sales</u>	4,629,397	3.35	4,951,418	3.34	4,440,392	3.18
<u>Other Revenue</u>						
Rail Car Lease	142,443		180,140		237,371	
By-Product Revenue	202,855		218,938		206,704	
Miscellaneous Revenue	269,097		280,795		654,302	
Total Other Revenue	614,395		679,873		1,098,377	
Operating Revenue	42,604,291		44,732,685		43,058,746	
<u>Operating Expense</u>						
Production Fuel and Purchased Power	13,617,411		14,098,135		14,454,846	
Operation	11,244,235		10,899,055		10,393,759	
Maintenance	7,869,667		7,336,345		8,037,471	
Depreciation	8,020,671		7,961,800		7,803,488	
Total Operating Expense	40,751,984		40,295,335		40,689,564	
Operating Income	1,852,307		4,437,350		2,369,182	
<u>Interest and Miscellaneous</u>						
Interest Income	1,778,381		2,137,279		1,713,036	
Interest Expense	(2,040,120)		(2,040,300)		(2,427,942)	
Gain on Land Disposal	---		18,250		---	
Total Interest and Misc.	(261,739)		115,229		(714,906)	
Net Income Before Capital Contributions	1,590,568		4,552,579		1,654,276	
Capital Contributions	---		59,401		95,414	
Change in Net Assets	1,590,568		4,611,980		1,749,690	
Beginning Net Assets	146,077,542		146,077,542		137,459,608	
Ending Net Assets	\$147,668,110		\$150,689,522		\$139,209,298	
Percent to Total Income	3.6		9.7		3.7	
Debt Service Coverage	1.26		1.57		1.30	

Muscatine Power and Water - Electric Utility
Balance Sheets
July 2007

ASSETS

	<u>2007</u>	<u>2006</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$297,050	\$160,572
Investments	35,023,498	34,895,477
	<hr/>	<hr/>
Total Restricted Current Assets	35,320,548	35,056,049
	<hr/>	<hr/>
<u>Unrestricted</u>		
Cash - interest bearing	5,731,087	5,460,706
Investments	7,705,028	3,544,364
Receivables:		
Consumer Accounts	4,313,563	4,470,005
Resale	3,729,965	2,654,734
Interest	537,388	468,392
Intercompanies	---	12,824
Inventories	6,222,174	6,031,381
Fuel	4,737,518	3,236,720
Prepaid Pension	342,248	---
Prepaid Expenses	767,776	1,132,378
	<hr/>	<hr/>
Total Unrestricted Current Assets	34,086,747	27,011,504
	<hr/>	<hr/>
Total Current Assets	69,407,295	62,067,553
	<hr/>	<hr/>
Property and Equipment:		
At Cost	390,699,028	387,325,006
Less Accumulated Depreciation	247,863,978	236,352,061
	<hr/>	<hr/>
Net Property and Equipment	142,835,050	150,972,945
	<hr/>	<hr/>
Other Assets:		
Unamortized Cost of Issuing Bonds	200,188	323,034
Note Receivable - Long-Term	35,327,000	35,327,000
Joint Venture Rights	208,935	214,549
	<hr/>	<hr/>
Total Other Assets	35,736,123	35,864,583
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$247,978,468</u>	<u>\$248,905,081</u>

Muscatine Power and Water - Electric Utility
Balance Sheets
July 2007

LIABILITIES AND NET ASSETS

	<u>2007</u>	<u>2006</u>
Current Liabilities:		
<u>Restricted</u>		
2002 Revenue Bonds - Less Deferred Amount on Refund of \$74,933 in 2007 and \$72,347 in 2006	\$12,520,067	\$12,087,653
Accrued Interest	<u>266,557</u>	<u>303,235</u>
Total Restricted Current Liabilities	<u>12,786,624</u>	<u>12,390,888</u>
<u>Unrestricted</u>		
Accounts Payable	2,165,621	1,971,433
Pension Provision	---	390,068
Health Insurance Provision	1,287,739	1,046,845
Intercompanies	20,841	---
Accrued Payroll	112,595	543,704
Accrued Vacation	940,487	905,910
Consumers' Deposits	591,658	625,803
Retained Percentage on Contracts	3,819	178,999
Accrued Property Taxes	110,489	109,376
Miscellaneous Accrued Expenses	603,849	458,606
Miscellaneous Deferred Credits	<u>120,000</u>	<u>120,000</u>
Total Unrestricted Current Liabilities	<u>5,957,098</u>	<u>6,350,744</u>
Total Current Liabilities	<u>18,743,722</u>	<u>18,741,632</u>
Deferred Revenue - Extraordinary O & M	<u>29,303,164</u>	<u>29,303,164</u>
Long-Term Debt - Less Current Portion:		
2001 Revenue Bonds - Plus Unamortized Premium of \$978,820 in 2007 and \$1,287,215 in 2006; and less Deferred Amount on Refunding of \$821,035 in 2007 and \$1,066,453 in 2006	49,242,060	49,310,762
2002 Revenue Bonds - Less Deferred Amount on Refunding of \$254,775 in 2006	<u>---</u>	<u>12,340,225</u>
Total Long-Term Debt - Less Current Portion	<u>49,242,060</u>	<u>61,650,987</u>
Net Assets:		
Invested in capital assets, net of related debt and accrued interest	81,395,935	77,731,952
Restricted	35,053,991	34,752,814
Unrestricted	<u>34,239,596</u>	<u>26,724,532</u>
Total Net Assets	<u>150,689,522</u>	<u>139,209,298</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$247,978,468</u>	<u>\$248,905,081</u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
July 2007

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$3,575,021	\$24,380,218
Wholesale electric sales, net	2,225,516	14,666,041
Steam sales	---	4,300,588
Coal & transportation allowances	44,378	440,349
Railcar leasing	78,825	204,550
By-product sales	51,444	195,954
Cash paid to/for:		
Suppliers	(851,985)	(8,333,379)
Wholesale power	---	(2,422,870)
Coal	(2,170,083)	(12,537,949)
Employees payroll, taxes and benefits	(2,614,360)	(12,349,103)
Reimbursements by Intercompany	(15,813)	73,138
Other	441,848	1,568,006
	<u>764,791</u>	<u>10,185,543</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(565,525)	(3,530,279)
Bond principal payments	---	(12,160,000)
Bond interest payments	(1,599,356)	(3,418,808)
	<u>(2,164,881)</u>	<u>(19,109,087)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(19,023)	(37,511)
Interest received on investments and note receivable	852,471	2,806,844
Accrued interest purchased	(14,317)	(171,911)
Amortization/accretion of investments	27,581	198,555
Mark to market	104,708	52,625
	<u>951,420</u>	<u>2,848,602</u>
Net decrease in cash and investments	<u>(448,670)</u>	<u>(6,074,942)</u>
Cash and investments at beginning of period	<u>49,205,333</u>	<u>54,831,605</u>
Cash and investments at end of period	<u>\$48,756,663</u>	<u>\$48,756,663</u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
July 2007

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$1,733,186	\$4,437,350
Noncash items in operating income:		
Depreciation of electric utility plant	1,137,400	7,961,800
Amortization of joint venture rights	4,880	25,578
Changes in assets and liabilities:		
Consumer accounts receivable	(172,693)	(428,552)
Resale receivable	(785,025)	(458,914)
Intercompany receivable	(12,808)	53,943
Inventories	21,178	(54,932)
Fuel	(607,191)	(670,342)
Prepaid expenses	19,915	(342,006)
Accounts payable	484,581	106,731
Pension provision	(748,668)	(342,248)
Health insurance provision	48,487	157,313
Accrued payroll	(450,978)	(471,449)
Accrued vacation	(32,503)	98,942
Consumers' deposits	(5,160)	(17,274)
Retained percentage	3,762	(4,178)
Accrued property taxes	8,331	11,208
Miscellaneous accrued expenses	118,097	122,573
	<u>\$764,791</u>	<u>\$10,185,543</u>
Net cash flows from operating activities	<u>\$764,791</u>	<u>\$10,185,543</u>

**Muscatine Power and Water - Electric Utility
Funds Appropriated for Specific Purposes
July 2007**

	<u>This Year</u>	<u>Last Year</u>
Rate Stabilization Fund	\$5,856,592	\$5,826,410
Extraordinary Operation & Maintenance Account	<u>29,463,956</u>	<u>29,229,639</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$35,320,548</u>	<u>\$35,056,049</u>

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - July 2007

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Generation</u>						
Operation Supervision	\$72,308		\$74,929		\$65,746	
Fuel:						
Coal	1,809,503		1,786,749		1,582,787	
Fuel Oil	259		231		748	
Gas	35,800		12,327		9,437	
Coal Handling Expense	62,421		68,643		70,604	
Landfill Operation Expense	11,168		10,575		8,293	
Emissions Allowance Expense	8,646		8,646		7,196	
Steam Expense:						
Boiler	101,075		88,758		80,857	
Pollution Control	59,363		46,277		48,837	
Electric Expense	99,794		94,779		88,446	
Miscellaneous Steam Power Expense	118,999		90,201		105,071	
Maintenance:						
Supervision	72,638		70,886		60,150	
Structures	108,988		46,755		87,342	
Boiler Plant:						
Boiler	125,858		174,781		98,591	
Pollution Control	15,999		37,175		68,278	
Electric Plant	23,278		47,118		13,562	
System Control	7,946		3,411		3,466	
Miscellaneous Steam Plant	71,484		30,012		45,137	
Coal Handling Equipment	107,522		85,144		46,642	
Purchased Power	---		---		9,408	
System Control and Load Dispatch	58,480		58,652		50,166	
Vacation, Holiday, Sick Leave	96,213		103,637		90,147	
Depreciation	858,330		856,222		841,434	
Total Generation Expense	<u>3,926,072</u>	57.4	<u>3,795,908</u>	55.0	<u>3,482,345</u>	50.2
<u>Transmission</u>						
Operation Supervision	3,556		2,545		3,348	
Load Dispatching	6,517		7,322		6,171	
Station Expense	13,056		11,080		8,460	
Overhead Line Expense	---		---		85	
Transmission of Electricity by Others	20,000		44		19,016	
Miscellaneous Transmission Expense	6,494		6,827		7,410	
Maintenance:						
Supervision	1,746		1,606		1,637	
Structures	1,167		---		2,863	
Station Equipment	10,370		1,431		18,678	
Overhead Lines	9,931		(505)		982	
Vacation, Holiday, Sick Leave	6,052		7,178		5,522	
Depreciation	30,338		29,783		29,759	
Tax on Rural Property	5,873		5,873		5,797	
Total Transmission Expense	<u>\$115,100</u>	1.7	<u>\$73,184</u>	1.1	<u>\$109,728</u>	1.6

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - July 2007

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Generation</u>						
Operation Supervision	\$493,744		\$530,047		\$503,525	
Fuel:						
Coal	10,292,631		11,061,214		9,309,623	
Fuel Oil	117,843		61,257		80,384	
Gas	377,550		184,498		427,029	
Coal Handling Expense	402,238		419,506		407,604	
Landfill Operation Expense	61,292		47,625		46,215	
Emissions Allowance Expense	60,532		60,534		50,375	
Steam Expense:						
Boiler	673,087		696,778		725,895	
Pollution Control	407,559		327,723		358,909	
Electric Expense	627,956		607,863		589,724	
Miscellaneous Steam Power Expense	1,208,736		1,074,430		1,053,256	
Maintenance:						
Supervision	504,688		553,674		506,547	
Structures	521,877		381,807		447,308	
Boiler Plant:						
Boiler	2,464,090		2,081,808		3,123,801	
Pollution Control	374,595		518,986		510,787	
Electric Plant	1,491,697		1,009,511		892,010	
System Control	39,256		35,021		38,131	
Miscellaneous Steam Plant	360,911		401,422		443,036	
Coal Handling Equipment	1,075,131		929,414		1,082,983	
Purchased Power	2,305,325		2,263,501		4,133,616	
System Control and Load Dispatch	391,666		332,377		339,791	
Vacation, Holiday, Sick Leave	575,828		621,886		591,838	
Depreciation	6,008,315		5,993,554		5,890,038	
Total Generation Expense	<u>30,836,547</u>	72.4	<u>30,194,436</u>	67.5	<u>31,552,425</u>	73.3
<u>Transmission</u>						
Operation Supervision	23,914		24,336		23,691	
Load Dispatching	41,957		48,000		44,121	
Station Expense	68,898		76,037		68,654	
Overhead Line Expense	---		31		690	
Transmission of Electricity by Others	160,000		6,882		129,994	
Miscellaneous Transmission Expense	49,594		54,844		43,275	
Maintenance:						
Supervision	11,824		11,885		11,458	
Structures	6,282		1,059		5,224	
Station Equipment	71,827		34,162		66,659	
Overhead Lines	26,347		88,973		17,384	
Vacation, Holiday, Sick Leave	35,939		41,583		36,312	
Depreciation	212,369		208,481		208,313	
Tax on Rural Property	41,111		41,233		40,652	
Total Transmission Expense	<u>\$750,062</u>	1.8	<u>\$637,506</u>	1.4	<u>\$696,427</u>	1.6

**Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - July 2007**

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Distribution</u>						
Operation Supervision	\$9,705		\$9,509		\$9,547	
Load Dispatching	6,517		7,236		6,171	
Station Expense	11,651		16,445		10,442	
Overhead Line Expense	4,495		1,527		3,420	
Vehicle Expense	15,141		12,056		13,421	
Underground Line Expense	2,778		2,804		2,684	
Street Lighting	1,554		2,272		1,336	
Signal Expense	973		313		271	
Meter Expense	7,622		9,437		8,916	
Consumer Installation Expense	2,105		1,951		2,478	
Miscellaneous Distribution Expense	66,854		58,190		50,245	
Maintenance:						
Supervision	9,049		8,883		8,566	
Structures	1,999		5		37	
Station Equipment	11,487		9,514		14,253	
Overhead Lines	47,775		72,830		28,511	
Underground Lines	5,591		1,474		1,164	
Line Transformers	3,079		55,680		8,609	
Street Lighting	2,430		3,230		4,474	
Signal System	1,221		7,916		1,049	
Meters	400		---		---	
Miscellaneous Distribution Plant	3,184		1,453		1,419	
Vacation, Holiday, Sick Leave	29,221		33,742		26,531	
Depreciation	135,747		133,965		130,139	
Tax on Rural Property	1,754		1,754		1,732	
	<hr/>		<hr/>		<hr/>	
Total Distribution Expense	382,332	5.6	452,186	6.6	335,415	4.8
<u>Customer Service Expense</u>						
Customer Information Expense	34,944		21,759		37,189	
Electric Ranges/Dryers-Maint/Promotion	1,366		866		880	
Electric Water Heaters-Maint/Promotion	929		1,074		671	
	<hr/>		<hr/>		<hr/>	
Total Customer Service Expense	\$37,239	0.5	\$23,699	0.3	\$38,740	0.6

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - July 2007

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Distribution</u>						
Operation Supervision	\$66,153		\$69,514		\$67,244	
Load Dispatching	41,957		47,395		44,121	
Station Expense	69,902		88,812		65,512	
Overhead Line Expense	31,433		27,543		24,923	
Vehicle Expense	95,456		101,194		82,409	
Underground Line Expense	19,644		18,007		17,847	
Street Lighting	10,819		14,748		11,500	
Signal Expense	6,890		2,989		3,689	
Meter Expense	54,486		76,038		55,786	
Consumer Installation Expense	14,667		11,609		17,716	
Miscellaneous Distribution Expense	459,789		474,882		402,442	
Maintenance:						
Supervision	61,588		62,344		60,289	
Structures	5,255		1,070		866	
Station Equipment	74,996		78,840		75,281	
Overhead Lines	230,654		630,142		286,842	
Underground Lines	45,811		17,364		27,926	
Line Transformers	21,339		87,472		28,535	
Street Lighting	16,926		24,247		25,500	
Signal System	13,149		22,999		2,818	
Meters	700		956		44	
Miscellaneous Distribution Plant	20,289		15,247		13,980	
Vacation, Holiday, Sick Leave	172,972		200,560		188,301	
Depreciation	950,234		937,755		910,973	
Tax on Rural Property	12,278		12,307		12,139	
Total Distribution Expense	2,497,387	5.9	3,024,034	6.8	2,426,683	5.6
<u>Customer Service Expense</u>						
Customer Information Expense	268,697		114,861		134,692	
Electric Ranges/Dryers-Maint/Promotion	9,567		8,519		9,925	
Electric Water Heaters-Maint/Promotion	6,513		8,492		6,414	
Total Customer Service Expense	\$284,777	0.7	\$131,872	0.3	\$151,031	0.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - July 2007

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Consumer Accounts</u>						
Supervision	\$1,672		\$1,860		\$1,771	
Meter Reading Expense	7,932		7,232		5,445	
Consumer Records and Collection	26,294		24,958		25,251	
Uncollectible Accounts Expense	2,317		2,317		2,667	
Vacation, Holiday, Sick Leave	3,754		4,636		3,683	
	<u>41,969</u>		<u>41,003</u>		<u>38,817</u>	
Total Consumer Accounts Expense	41,969	0.6	41,003	0.6	38,817	0.6
<u>Administrative and General</u>						
Administrative and General Salaries	131,079		136,316		111,367	
Office Supplies and Expenses	17,984		14,248		12,991	
Outside Services Employed	27,468		16,962		65,141	
Property Insurance	39,547		32,754		37,844	
Casualty Ins, Injuries & Damages	35,006		3,076		22,028	
Employee Pensions and Benefits	365,011		352,751		345,390	
Fringe Benefits Charged to Constr.	(23,254)		(16,330)		(21,427)	
Regulatory Commission	4,833		4,833		3,750	
Miscellaneous General Expense	38,635		39,422		31,534	
Maintenance of General Plant	27,393		19,758		22,158	
Maintenance of A/O Center	51,085		29,853		27,088	
Vacation, Holiday, Sick Leave	25,004		28,908		21,770	
Depreciation	121,393		117,430		113,452	
	<u>861,184</u>		<u>779,981</u>		<u>793,086</u>	
Total Administrative and General	861,184	12.6	779,981	11.3	793,086	11.4
	<u>\$5,363,896</u>		<u>\$5,165,961</u>		<u>\$4,798,131</u>	
Total Operating Expense	\$5,363,896		\$5,165,961		\$4,798,131	
Percent to Operating Revenue		78.4		74.9		69.2

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - July 2007

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Consumer Accounts</u>						
Supervision	\$11,316		\$13,002		\$12,031	
Meter Reading Expense	48,925		55,364		52,854	
Consumer Records and Collection	177,677		186,813		180,485	
Uncollectible Accounts Expense	16,219		16,219		18,669	
Vacation, Holiday, Sick Leave	21,806		23,762		23,876	
	<u>275,943</u>	0.6	<u>295,160</u>	0.7	<u>287,915</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	893,424		906,519		857,010	
Office Supplies and Expenses	125,713		119,733		106,132	
Outside Services Employed	299,955		386,783		182,681	
Property Insurance	271,719		244,545		259,922	
Casualty Ins, Injuries & Damages	244,866		204,331		206,677	
Employee Pensions and Benefits	2,635,699		2,659,412		2,505,332	
Fringe Benefits Charged to Constr.	(144,908)		(139,642)		(150,641)	
Regulatory Commission	33,835		25,796		28,925	
Miscellaneous General Expense	323,378		273,782		249,847	
Maintenance of General Plant	173,364		175,358		162,399	
Maintenance of A/O Center	257,071		172,584		207,663	
Vacation, Holiday, Sick Leave	143,399		161,116		164,972	
Depreciation	849,753		822,010		794,164	
	<u>6,107,268</u>	14.3	<u>6,012,327</u>	13.4	<u>5,575,083</u>	12.9
	<u>\$40,751,984</u>		<u>\$40,295,335</u>		<u>\$40,689,564</u>	
Percent to Operating Revenue		95.7		90.1		94.5

Muscatine Power and Water - Electric Utility
Statistical Data
July 2007

Per KWH Delivered to Paying Customers

	This Year		Last Year	
	<u>Month</u>	<u>Year-to-Date</u>	<u>Month</u>	<u>Year-to-Date</u>
Generated & Purchased Power	0.02780	0.03286	0.02405	0.03530
Transmission	0.00060	0.00076	0.00084	0.00085
Distribution	0.00372	0.00362	0.00256	0.00297
Customer Service	0.00019	0.00016	0.00030	0.00018
Consumers Accounts	0.00034	0.00035	0.00030	0.00035
Administrative & General	0.00641	0.00721	0.00606	0.00681
Total	<u>0.03906</u>	<u>0.04496</u>	<u>0.03411</u>	<u>0.04646</u>

Per KWH Delivered to Paying Native System Customers

	This Year		Last Year	
	<u>Month</u>	<u>Year-to-Date</u>	<u>Month</u>	<u>Year-to-Date</u>
Distribution	0.00568	0.00598	0.00415	0.00484
Customer Service	0.00030	0.00026	0.00048	0.00030
Consumers Accounts	0.00052	0.00058	0.00048	0.00057
Administrative & General	0.00980	0.01190	0.00980	0.01111

Total Fuel Cost

(To & Including Ash Handling)

	<u>Current Month</u>		<u>Calendar Year-to-Date</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Per Million Btu.	1.117	0.947	1.100	0.999
Per Net MW Generated	12.45	10.69	12.15	11.35
Net Peak Monthly Demand - KW	141,500	146,900	141,500	146,900
Date of Peak	7/9	7/17	7/9	7/17
<u>Services</u>	<u>2007</u>	<u>2006</u>		
Residential	9,614	9,600		
Commercial I	1,383	1,358		
Commercial II	120	120		
Industrial I	10	10		
Industrial II	2	2		
City Enterprise Funds	22	22		
Water & Communications Utility	38	38		
Total	<u>11,189</u>	<u>11,150</u>		