

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

August 2017

**Muscatine Power and Water
Electric Utility**

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Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - August 2017

	<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	78,209,280	(6.9)	72,845,604	(35.3)	112,515,894
Less: Plant Use	<u>7,187,040</u>	3.5	<u>7,437,922</u>	(35.2)	<u>11,472,800</u>
Net Generation/Wholesale Sales	71,022,240	(7.9)	65,407,682	(35.3)	101,043,094
Wholesale Sales - Wind	<u>2,171,408</u>	11.0	<u>2,409,892</u>	---	---
Total Wholesales Sales	<u><u>73,193,648</u></u>	(7.3)	<u><u>67,817,574</u></u>	(32.9)	<u><u>101,043,094</u></u>
<u>Net Capacity Factors</u>					
Unit 9	60.00	(10.6)	53.63	(18.5)	65.84
Unit 8/8A	---	---	---	---	60.56
Unit 7	---	---	15.79	(25.3)	21.15
Total Plant	49.04	(19.5)	39.47	(34.9)	60.60
<u>KWH Distribution</u>					
Residential	11,379,981	(8.1)	10,455,863	(12.4)	11,939,353
Commercial I	3,625,352	1.4	3,677,107	(2.9)	3,787,443
Commercial II	8,630,924	(4.5)	8,245,060	(0.4)	8,281,500
Industrial I	13,178,425	1.1	13,323,480	2.4	13,010,500
Industrial II	38,500,000	1.7	39,151,798	7.8	36,303,716
City Enterprise Funds	418,162	(2.1)	409,281	(5.6)	433,690
Water & Communications Utilities	<u>1,635,586</u>	(14.0)	<u>1,407,398</u>	(15.6)	<u>1,668,216</u>
Native System Sales	77,368,430	(0.9)	76,669,987	1.7	75,424,418
City Lighting	109,915	54.2	169,496	9.1	155,332
City Buildings	550,813	11.9	616,293	10.8	556,367
Offline Power Plant Usage	394,320	33.7	527,103	2.3X	159,240
Losses & Cycle Billing	<u>2,362,487</u>	(47.1)	<u>1,248,873</u>	(52.7)	<u>2,639,737</u>
Total Native System KWH					
Distributed	80,785,965	(1.9)	79,231,752	0.4	78,935,094
Wind KWH Purchases	<u>2,171,408</u>	11.0	<u>2,409,892</u>	---	---
Total Purchased Power KWH	<u><u>82,957,373</u></u>	(1.6)	<u><u>81,641,644</u></u>	3.4	<u><u>78,935,094</u></u>
<u>STEAM SALES - 1,000 lbs</u>					
	<u>---</u>	---	<u>---</u>	---	<u>274,966</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - August 2017

	<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	608,558,659	(3.9)	585,061,235	(9.5)	646,760,639
Less: Plant Use	<u>62,697,000</u>	(1.0)	<u>62,099,492</u>	(17.1)	<u>74,925,980</u>
Net Generation/Wholesale Sales	545,861,659	(4.2)	522,961,743	(8.5)	571,834,659
Wholesale Sales - Wind	<u>30,777,516</u>	8.0	<u>33,247,640</u>	---	---
Total Wholesales Sales	<u><u>576,639,175</u></u>	(3.5)	<u><u>556,209,383</u></u>	(2.7)	<u><u>571,834,659</u></u>
<u>Net Capacity Factors</u>					
Unit 9	54.73	(11.1)	48.63	(3.4)	50.33
Unit 8/8A	43.84	(51.9)	21.07	(41.1)	35.79
Unit 7	0.89	18.7X	17.54	1.0X	8.73
Total Plant	48.09	(16.3)	40.25	(7.6)	43.57
<u>KWH Distribution</u>					
Residential	71,791,330	(5.8)	67,658,123	(5.4)	71,488,483
Commercial I	24,977,885	0.8	25,169,550	1.2	24,880,170
Commercial II	62,854,278	(3.4)	60,699,100	(6.8)	65,111,160
Industrial I	88,087,973	1.8	89,700,640	11.7	80,333,600
Industrial II	304,950,000	(1.1)	301,530,259	1.5	296,978,736
City Enterprise Funds	3,589,183	(2.0)	3,515,682	3.9	3,384,634
Water & Communications Utilities	<u>11,963,219</u>	(6.0)	<u>11,244,070</u>	(5.7)	<u>11,923,596</u>
Native System Sales	568,213,868	(1.5)	559,517,424	1.0	554,100,379
City Lighting	918,857	41.1	1,296,715	1.8	1,273,846
City Buildings	4,409,497	8.7	4,792,629	8.8	4,403,714
Offline Power Plant Usage	1,837,200	1.1X	3,925,260	66.5	2,358,115
Losses & Cycle Billing	<u>18,202,083</u>	(6.4)	<u>17,033,291</u>	(4.5)	<u>17,837,858</u>
Total Native System KWH					
Distributed	593,581,505	(1.2)	586,565,319	1.1	579,973,912
Wind KWH Purchases	<u>30,777,516</u>	8.0	<u>33,247,640</u>	---	---
Total Purchased Power KWH	<u><u>624,359,021</u></u>	(0.7)	<u><u>619,812,959</u></u>	6.9	<u><u>579,973,912</u></u>
<u>STEAM SALES - 1,000 lbs</u>					
	<u><u>997,619</u></u>	5.0	<u><u>1,047,098</u></u>	(45.6)	<u><u>1,924,816</u></u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - August 2017

	Budget Estimate	Avg. Price	% Increase (Decrease) from Budget	This Year	Avg. Price	% Increase (Decrease) from Last Year	Last Year	Avg. Price
<u>Sales of Electricity</u>								
Residential	\$1,236,524	\$ 0.10866	(5.0)	\$1,174,736	\$ 0.11235	(5.7)	\$1,245,189	\$ 0.10429
Commercial I	380,114	0.10485	4.2	396,062	0.10771	3.1	384,131	0.10142
Commercial II	721,097	0.08355	(5.7)	679,881	0.08246	3.9	654,570	0.07904
Industrial I	838,864	0.06365	4.4	875,779	0.06573	9.9	797,156	0.06127
Industrial II	2,092,896	0.05436	7.4	2,247,242	0.05740	18.5	1,895,793	0.05222
City Enterprise Funds	34,322	0.08208	0.1	34,354	0.08394	3.6	33,176	0.07650
Water & Communication Utilities	108,008	0.06604	(11.1)	95,969	0.06819	(5.5)	101,574	0.06089
Native System Sales	5,411,825	0.06995	1.7	5,504,023	0.07179	7.7	5,111,589	0.06777
Wholesale Sales	2,581,444	0.03527	(17.6)	2,127,526	0.03137	(47.7)	4,068,011	0.04026
Energy Sales	7,993,269		(4.5)	7,631,549		(16.9)	9,179,600	
<u>Steam Sales</u>	---	---	---	---	---	---	1,084,786	3.95
<u>Other Revenue</u>								
By-Product Revenue	32,465		76.3	57,230		8.6	52,715	
Miscellaneous Revenue	53,365		50.3	80,234		9.8	73,072	
Total Other Revenue	85,830		60.2	137,464		9.3	125,787	
Operating Revenue	8,079,099		(3.8)	7,769,013		(25.2)	10,390,173	
<u>Operating Expense</u>								
Purchased Power	2,332,078	0.02811	(1.6)	2,293,975	0.02810	(18.5)	2,813,029	0.03564
Production Fuel	1,474,229		(11.2)	1,308,789		(50.4)	2,637,570	
Emissions Allowance	---		---	11		(100.0)	47,183	
Operation	2,044,328		(2.3)	1,997,326		(8.1)	2,174,019	
Maintenance	672,891		(9.8)	607,225		(10.1)	675,348	
Depreciation	957,139		(6.0)	900,004		7.5	837,341	
Total Operating Expense	7,480,665		(5.0)	7,107,330		(22.6)	9,184,490	
Operating Income	598,434		10.6	661,683		(45.1)	1,205,683	
<u>Nonoperating Revenue (Expense)</u>								
Interest Income	8,978		3.2X	37,664		1.6X	14,614	
Interest Expense	(400)		15.0	(460)		71.0	(269)	
Total Nonoperating Revenue (Expense)	8,578		3.3X	37,204		1.6X	14,345	
Net Income Before Revenue Adjustment	607,012		15.1	698,887		(42.7)	1,220,028	
Capital Contributions	---		---	---		---	---	
Change in Net Position	607,012		15.1	698,887		(42.7)	1,220,028	
Beginning Net Position	124,398,959			126,988,386			123,909,072	
Ending Net Position	<u>\$125,005,971</u>			<u>\$127,687,273</u>			<u>\$125,129,100</u>	
Net Loss Before Rev Adj to Op Revenue	7.5			9.0			11.7	
Change in Net Position to Operating Revenue	7.5			9.0			11.7	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - August 2017

	Budget		% Increase			% Increase		
	Estimate	Avg. Price	(Decrease)	This Year	Avg. Price	(Decrease)	Last Year	Avg. Price
			from Budget			from Last		
						Year		
<u>Sales of Electricity</u>								
Residential	\$7,684,295	\$ 0.10704	(1.2)	\$7,593,507	\$ 0.11223	0.6	\$7,549,459	\$ 0.10560
Commercial I	2,549,581	0.10207	3.2	2,631,106	0.10454	7.1	2,456,286	0.09872
Commercial II	5,140,567	0.08179	(4.2)	4,925,208	0.08114	(1.4)	4,996,805	0.07674
Industrial I	5,530,793	0.06279	6.2	5,871,070	0.06545	18.4	4,959,554	0.06174
Industrial II	15,850,306	0.05198	3.8	16,452,592	0.05456	10.8	14,852,443	0.05001
City Enterprise Funds	272,369	0.07589	---	272,258	0.07744	8.4	251,110	0.07419
Water & Communications Utilities	767,056	0.06412	(3.2)	742,381	0.06602	1.9	728,613	0.06111
Native System Sales	37,794,967	0.06652	1.8	38,488,122	0.06879	7.5	35,794,270	0.06460
Wholesale Sales	19,209,639	0.03331	1.4	19,470,895	0.03501	11.0	17,548,887	0.03069
Energy Sales	57,004,606		1.7	57,959,017		8.7	53,343,157	
<u>Steam Sales</u>	4,095,826	4.11	(2.2)	4,005,118	3.82	(47.5)	7,628,999	3.96
<u>Other Revenue</u>								
By-Product Revenue	195,751		(6.8)	182,372		(13.6)	211,135	
Miscellaneous Revenue	419,657		23.8	519,413		5.3	493,112	
Total Other Revenue	615,408		14.0	701,785		(0.3)	704,247	
Operating Revenue	61,715,840		1.5	62,665,920		1.6	61,676,403	
<u>Operating Expense</u>								
Purchased Power	17,113,448	0.02741	9.8	18,783,430	0.03030	25.9	14,920,221	0.02573
Production Fuel	12,925,103		(1.2)	12,768,512		(18.7)	15,712,504	
Emissions Allowance	298,102		(98.2)	5,374		(96.9)	171,226	
Operation	17,656,580		(9.3)	16,017,105		(3.0)	16,508,862	
Maintenance	9,010,157		(7.2)	8,362,735		42.4	5,871,363	
Depreciation	7,657,115		(6.0)	7,200,036		7.5	6,698,730	
Total Operating Expense	64,660,505		(2.4)	63,137,192		5.4	59,882,906	
Operating Income (Loss)	(2,944,665)		(84.0)	(471,272)		-1.3X	1,793,497	
<u>Nonoperating Revenue (Expense)</u>								
Interest Income	69,872		2.0X	210,905		1.0X	104,788	
Interest Expense	(3,200)		19.0	(3,807)		75.4	(2,170)	
Total Nonoperating Revenue (Expense)	66,672		2.1X	207,098		1.0X	102,618	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(2,877,993)		(90.8)	(264,174)		-1.1X	1,896,115	
Capital Contributions	---		---	63,483		(52.5)	133,577	
Change in Net Position	(2,877,993)		(93.0)	(200,691)		-1.1X	2,029,692	
Beginning Net Position	127,887,964			127,887,964			123,099,408	
Ending Net Position	<u>\$125,009,971</u>			<u>\$127,687,273</u>			<u>\$125,129,100</u>	
Net Income (Loss) Before Rev Adj to Op Revenue	(4.7)			(0.4)			3.1	
Change in Net Position to Operating Revenue	(4.7)			(0.3)			3.3	

Muscatine Power and Water - Electric Utility
Statements of Net Position
August 2017

ASSETS

	<u>2017</u>	<u>2016</u>
Current Assets:		
Cash - interest bearing	\$35,543,206	\$15,744,955
Investments	15,550,000	17,251,329
Receivables:		
Consumer Accounts	6,790,369	6,422,978
Refined Coal	2,360,305	4,526,719
Wholesale	56,175	964,384
Steam Sales	---	1,085,149
Interest	74,894	64,570
Inventories	5,245,024	5,705,578
Fuel	8,134,826	13,794,803
Prepaid Expenses	830,092	947,588
	<hr/>	<hr/>
Total Current Assets	74,584,891	66,508,053
	<hr/>	<hr/>
Property and Equipment:		
At Cost	429,227,288	423,553,048
Less Accumulated Depreciation	356,820,960	347,193,945
	<hr/>	<hr/>
Net Property and Equipment	72,406,328	76,359,103
	<hr/>	<hr/>
Other Assets:		
Note Receivable - Communications Utility	9,044,287	9,523,335
Note Receivable - Water Utility	---	2,900,000
Joint Venture Rights	100,165	110,002
	<hr/>	<hr/>
Total Other Assets	9,144,452	12,533,337
	<hr/>	<hr/>
Deferred Outflows of Resources - Pension		
Changes of Assumptions	2,764,049	2,764,049
Difference between projected and actual earnings on pension plan	3,171,557	575,136
Contributions subsequent to measurement date	2,646,618	3,302,724
	<hr/>	<hr/>
Total Deferred Outflows of Resources - Pension	8,582,224	6,641,909
	<hr/>	<hr/>
TOTAL ASSETS	<u><u>\$164,717,895</u></u>	<u><u>\$162,042,402</u></u>

Muscatine Power and Water - Electric Utility
Statements of Net Position
August 2017

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2017</u>	<u>2016</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$3,734,499	\$6,789,285
Health & Dental Insurance Provision	271,040	295,620
Accrued Payroll	234,668	184,044
Accrued Vacation	1,180,361	1,184,320
Accrued Emission Allowance Expense	5,374	171,226
Consumers' Deposits	769,548	759,130
Retained Percentage on Contracts	71,182	4,527
Accrued Property Taxes	113,441	119,271
Miscellaneous Accrued Expenses	803,995	1,073,493
Unearned Revenue	157,226	205,229
	<u>7,341,334</u>	<u>10,786,145</u>
Total Unrestricted Current Liabilities		
	<u>7,341,334</u>	<u>10,786,145</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,033,680	1,012,814
Post-Employment Health Benefit Provision	423,688	400,454
Net Pension Liability	14,565,895	11,022,103
	<u>16,023,263</u>	<u>12,435,371</u>
Total Non-Current Liabilities		
	<u>16,023,263</u>	<u>12,435,371</u>
Deferred Inflows of Resources		
Extraordinary O&M	13,032,866	13,032,866
Pension		
Differences between expected and actual experience	633,159	658,920
	<u>13,666,025</u>	<u>13,691,786</u>
Total Deferred Inflows of Resources		
	<u>13,666,025</u>	<u>13,691,786</u>
Net Position:		
Net Investment in Capital Assets	72,406,328	76,359,103
Unrestricted	55,280,945	48,769,997
	<u>127,687,273</u>	<u>125,129,100</u>
Total Net Position		
	<u>127,687,273</u>	<u>125,129,100</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$164,717,895</u></u>	<u><u>\$162,042,402</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
August 2017

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$5,109,848	\$37,629,065
MISO sales	3,289,085	20,809,571
Steam sales	---	7,357,805
Coal sales	2,945,335	23,508,290
Railcar/facilities leasing	5,624	44,995
By-product sales	---	202,345
Miscellaneous sources	21,401	426,699
Cash paid to/for:		
Suppliers	(842,610)	(7,654,070)
MISO purchases/administration fees	(2,775,335)	(18,388,542)
South Fork Wind purchases	(59,367)	(883,120)
Coal purchases	(4,669,997)	(31,177,383)
Employees payroll, taxes and benefits	(2,636,325)	(15,560,214)
Net cash flows from operating activities	<u>387,659</u>	<u>16,315,441</u>
Cash flows from noncapital financing activities:		
Interest received on notes receivable from water & communications utilities	---	28,829
Principal received on note receivable from water utility	---	6,000,000
Loan to Water Utility	---	(3,100,000)
Net cash flows from noncapital financing activities	<u>---</u>	<u>2,928,829</u>
Cash flows from capital financing activities:		
Capital expenditures, net	<u>(323,678)</u>	<u>(4,337,920)</u>
Net cash flows from capital and related financing activities	<u>(323,678)</u>	<u>(1,409,091)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(30,590)	(74,540)
Interest received on investments	50,799	179,021
Amortization/accretion of investments	---	(210)
Mark to Market	---	(37)
Net cash flows from investing activities	<u>20,209</u>	<u>104,234</u>
Net increase in cash and investments	<u>84,190</u>	<u>15,010,584</u>
Cash and investments at beginning of period	<u>51,009,016</u>	<u>36,082,622</u>
Cash and investments at end of period	<u><u>\$51,093,206</u></u>	<u><u>\$51,093,206</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
August 2017

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$661,683	(\$471,272)
Noncash items in operating income:		
Depreciation of electric utility plant	900,004	7,200,036
Amortization of joint venture rights	9,392	69,799
Change in deferred outflows of resources - pension	(404,800)	(404,800)
Changes in assets and liabilities:		
Consumer accounts receivable	(629,297)	327,206
Refined coal	590,654	1,671,164
Wholesale receivable	428,214	976,648
Steam sales receivable	---	2,276,369
Inventories	39,832	422,270
Fuel	(29,774)	5,762,639
Prepaid expenses	114,946	14,890
Accounts payable	(1,131,164)	(2,478,945)
Net pension liability	195,653	1,565,226
Health & dental insurance provision	31,423	22,403
Other post-employment benefit provision	2,121	13,970
Accrued payroll	(391,507)	(446,431)
Accrued vacation	(21,510)	(5,843)
Accrued emission allowance expense	11	(219,024)
Consumers' deposits	(3,743)	7,948
Retained Percentage	152	19,896
Accrued property taxes	7,985	11,407
Unearned revenue	(3,509)	48,434
Miscellaneous accrued expenses	20,893	(68,549)
Net cash flows from operating activities	<u>\$387,659</u>	<u>\$16,315,441</u>

Muscatine Power and Water - Electric Utility
Funds Appropriated for Specific Purposes
August 2017

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,167,236</u>	<u>\$13,083,910</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$13,167,236</u></u>	<u><u>\$13,083,910</u></u>

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - August 2017

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$2,332,078</u>	28.9	<u>\$2,293,975</u>	29.5	<u>\$2,813,029</u>	27.1
Average price per kWh	\$0.0289		\$0.0290		\$0.0356	
<u>Generation</u>						
Operation Supervision (500)	66,857		86,201		86,098	
Fuel: (501)						
Coal	1,412,152		1,263,290		2,544,480	
Fuel Oil	5,000		931		114	
Gas	2,000		4,235		32,620	
Coal Handling Expense (501-003)	42,128		23,841		51,893	
Landfill Operation Expense (501-925)	12,949		16,492		8,463	
Emissions Allowance Expense (509)	---		11		47,183	
Steam Expense:						
Boiler (502-004)	71,449		85,543		138,613	
Pollution Control (502-005)	42,852		37,692		116,898	
Electric Expense (505)	80,468		76,677		112,741	
Miscellaneous Steam Power Expense (506)	244,759		224,210		254,098	
Maintenance:						
Supervision (510)	46,394		86,241		70,402	
Structures (511)	86,554		39,825		59,463	
Boiler Plant:						
Boiler (512-006)	98,839		131,131		109,100	
Pollution Control (512-007)	37,453		32,665		53,814	
Electric Plant (513-008)	34,910		24,201		29,236	
System Control (513-009)	20,860		20,497		18,815	
Miscellaneous Steam Plant (514)	70,142		72,177		65,115	
Coal Handling Equipment (516)	49,809		80,926		84,688	
System Control and Load Dispatch (556)	28,188		27,190		21,244	
Vacation, Holiday, Sick Leave (557)	55,401		60,542		72,230	
Depreciation (558)	<u>643,473</u>		<u>648,814</u>		<u>637,587</u>	
Total Generation Expense	<u>\$3,152,637</u>	39.0	<u>\$3,043,332</u>	39.2	<u>\$4,614,895</u>	44.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - August 2017

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision (560)	\$7,686		\$8,596		\$8,247	
Load Dispatching (561)	78,592		65,250		66,413	
Station Expense (562)	7,562		8,352		11,729	
Overhead Line Expense (563)	142		1,575		---	
Transmission of Electricity by Others (565)	113,017		98,355		76,911	
Miscellaneous Transmission Expense (566)	10,578		10,842		11,947	
Maintenance:						
Supervision (568)	2,910		2,252		2,969	
Structures (569)	94		---		---	
Station Equipment (570)	3,829		(42,864)		13,081	
Overhead Lines (571)	17,516		3,340		6,616	
Vacation, Holiday, Sick Leave (575)	8,395		6,817		6,110	
Depreciation (576)	40,936		31,072		31,072	
Tax on Rural Property (577)	5,677		5,690		5,686	
Total Transmission Expense	296,934	3.7	199,277	2.6	240,781	2.3
<u>Distribution</u>						
Operation Supervision (580)	15,647		13,503		17,325	
Load Dispatching (581)	28,655		34,827		38,381	
Station Expense (582)	9,416		7,999		9,480	
Overhead Line Expense (583)	2,158		688		1,673	
Vehicle Expense (589)	16,369		13,431		13,811	
Underground Line Expense (584)	10,412		8,688		3,478	
Street Lighting (585-418)	2,611		---		1,635	
Signal Expense (585-419)	729		65		83	
Meter Expense (586)	9,077		14,117		11,966	
Consumer Installation Expense (587)	561		239		480	
Miscellaneous Distribution Expense (588)	57,200		69,995		70,273	
Maintenance:						
Supervision (590)	12,659		8,496		12,553	
Structures (591)	955		---		---	
Station Equipment (592)	7,179		7,759		14,152	
Overhead Lines (593)	64,505		40,611		28,134	
Underground Lines (594)	16,756		10,117		9,950	
Line Transformers (595)	4,544		447		2,752	
Street Lighting (596-418)	10,226		7,267		17,208	
Signal System (596-419)	1,863		4,667		9,460	
Meters (597)	2,613		(2,166)		2,617	
Miscellaneous Distribution Plant (598)	2,708		1,537		3,907	
Vacation, Holiday, Sick Leave (599)	26,061		24,406		21,931	
Depreciation (578)	172,686		172,352		168,481	
Tax on Rural Property (579)	1,696		1,700		1,698	
Total Distribution Expense	\$477,286	5.9	\$440,745	5.7	\$461,428	4.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - August 2017

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense (909)	\$6,045		\$6,578		\$14,864	
Energy Efficiency Rebates (912)	17,859		12,186		15,464	
Electric Ranges/Dryers Maintenance (910)	451		363		80	
Electric Water Heaters Maintenance (911)	161		97		63	
Total Customer Service Expense	<u>24,516</u>	0.3	<u>19,224</u>	0.2	<u>30,471</u>	0.3
<u>Consumer Accounts</u>						
Supervision (901)	3,303		3,840		3,684	
Meter Reading Expense (902)	9,397		11,824		9,442	
Consumer Records and Collection (903)	41,039		45,595		40,849	
Uncollectible Accounts Expense (904)	5,623		5,623		4,769	
Vacation, Holiday, Sick Leave (906)	4,113		3,088		4,980	
Total Consumer Accounts Expense	<u>63,475</u>	0.8	<u>69,970</u>	0.9	<u>63,724</u>	0.6
<u>Administrative and General</u>						
Administrative and General Salaries (920)	192,353		196,839		198,453	
Office Supplies and Expenses (921)	15,495		11,102		13,714	
Outside Services Employed (923)	61,290		62,273		15,473	
Property Insurance (924)	57,271		55,722		53,778	
Casualty Ins, Injuries & Damages (925)	51,170		57,936		57,340	
Employee Pensions and Benefits (926)	543,988		551,005		513,388	
Fringe Benefits Charged to Constr. (927)	(37,220)		(85,125)		(24,569)	
Regulatory Commission (928)	6,231		8,898		9,167	
Miscellaneous General Expense (930)	38,858		36,086		43,112	
Maintenance of General Plant (932)	42,984		33,826		21,863	
Maintenance of A/O Center (934)	36,589		44,273		39,453	
Vacation, Holiday, Sick Leave (936)	24,686		20,206		18,789	
Depreciation (933)	100,044		47,766		201	
Total Administrative and General	<u>1,133,739</u>	14.0	<u>1,040,807</u>	13.4	<u>960,162</u>	9.2
Total Operating Expense	<u><u>\$7,480,665</u></u>		<u><u>\$7,107,330</u></u>		<u><u>\$9,184,490</u></u>	
Percent to Operating Revenue		92.6		91.5		88.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - August 2017

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$17,113,448</u>	27.7	<u>\$18,783,430</u>	30.0	<u>\$14,920,221</u>	24.2
Average price per kWh	\$0.0288		\$0.0320		\$0.0257	
<u>Generation</u>						
Operation Supervision (500)	679,009		625,486		654,374	
Fuel: (501)						
Coal	12,347,933		12,174,444		15,102,251	
Fuel Oil	64,135		29,515		51,231	
Gas	8,000		124,875		112,359	
Coal Handling Expense (501-003)	413,986		307,357		372,483	
Landfill Operation Expense (501-925)	91,049		132,321		74,180	
Emissions Allowance Expense (509)	298,102		5,374		171,226	
Steam Expense:						
Boiler (502-004)	761,466		724,472		875,906	
Pollution Control (502-005)	547,453		358,360		564,293	
Electric Expense (505)	756,580		691,105		821,582	
Miscellaneous Steam Power Expense (506)	1,892,285		1,478,777		1,628,299	
Maintenance:						
Supervision (510)	494,801		620,385		557,161	
Structures (511)	836,348		500,791		369,490	
Boiler Plant:						
Boiler (512-006)	1,715,267		1,475,233		1,148,297	
Pollution Control (512-007)	438,429		505,491		508,898	
Electric Plant (513-008)	2,300,404		2,361,644		289,062	
System Control (513-009)	172,076		141,120		170,703	
Miscellaneous Steam Plant (514)	625,285		430,047		462,490	
Coal Handling Equipment (516)	611,553		529,277		654,463	
System Control and Load Dispatch (556)	229,767		200,008		186,864	
Vacation, Holiday, Sick Leave (557)	696,076		674,652		726,117	
Depreciation (558)	<u>5,147,783</u>		<u>5,190,514</u>		<u>5,100,699</u>	
Total Generation Expense	<u>\$31,127,787</u>	50.4	<u>\$29,281,248</u>	46.7	<u>\$30,602,428</u>	49.6

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - August 2017

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision (560)	\$60,229		\$59,042		\$53,069	
Load Dispatching (561)	542,343		515,475		474,837	
Station Expense (562)	79,784		70,757		87,678	
Overhead Line Expense (563)	725		3,792		4,765	
Transmission of Electricity by Others (565)	904,136		668,226		616,465	
Miscellaneous Transmission Expense (566)	234,160		105,125		146,194	
Maintenance:						
Supervision (568)	22,908		20,457		25,907	
Structures (569)	1,003		---		---	
Station Equipment (570)	49,435		59,154		87,223	
Overhead Lines (571)	158,925		35,935		154,767	
Vacation, Holiday, Sick Leave (575)	80,668		70,894		64,322	
Depreciation (576)	327,487		248,575		248,576	
Tax on Rural Property (577)	45,418		45,610		45,569	
Total Transmission Expense	<u>2,507,221</u>	4.1	<u>1,903,042</u>	3.0	<u>2,009,372</u>	3.3
<u>Distribution</u>						
Operation Supervision (580)	120,716		115,256		134,745	
Load Dispatching (581)	224,728		258,563		271,346	
Station Expense (582)	77,764		65,247		63,353	
Overhead Line Expense (583)	31,756		15,855		18,433	
Vehicle Expense (589)	132,490		111,395		98,909	
Underground Line Expense (584)	63,618		35,831		29,164	
Street Lighting (585-418)	20,806		7,144		8,011	
Signal Expense (585-419)	5,989		1,294		974	
Meter Expense (586)	74,235		85,607		85,121	
Consumer Installation Expense (587)	4,378		4,984		5,256	
Miscellaneous Distribution Expense (588)	446,443		534,821		436,879	
Maintenance:						
Supervision (590)	93,037		81,383		110,299	
Structures (591)	12,500		---		17	
Station Equipment (592)	76,793		108,451		81,228	
Overhead Lines (593)	437,310		593,568		395,218	
Underground Lines (594)	126,874		149,721		141,573	
Line Transformers (595)	45,344		32,877		21,402	
Street Lighting (596-418)	82,814		98,600		113,234	
Signal System (596-419)	25,667		35,764		30,979	
Meters (597)	20,403		14,087		18,629	
Miscellaneous Distribution Plant (598)	21,667		21,377		20,768	
Vacation, Holiday, Sick Leave (599)	252,412		272,138		253,375	
Depreciation (578)	1,381,491		1,378,817		1,347,849	
Tax on Rural Property (579)	13,566		13,624		13,612	
Total Distribution Expense	<u>\$3,792,801</u>	6.1	<u>\$4,036,404</u>	6.4	<u>\$3,700,374</u>	6.0

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - August 2017

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense (909)	\$54,950		\$41,269		\$67,520	
Energy Efficiency Rebates (912)	146,364		148,489		62,665	
Electric Ranges/Dryers Maintenance (910)	3,711		1,192		1,297	
Electric Water Heaters Maintenance (911)	1,325		509		486	
Total Customer Service Expense	<u>\$206,350</u>	0.3	<u>\$191,459</u>	0.3	<u>\$131,968</u>	0.2
<u>Consumer Accounts</u>						
Supervision (901)	25,850		25,970		26,233	
Meter Reading Expense (902)	73,525		78,024		71,660	
Consumer Records and Collection (903)	322,903		309,296		296,861	
Uncollectible Accounts Expense (904)	44,983		44,984		38,152	
Vacation, Holiday, Sick Leave (906)	40,261		37,984		41,276	
Total Consumer Accounts Expense	<u>507,522</u>	0.8	<u>496,258</u>	0.8	<u>474,182</u>	0.8
<u>Administrative and General</u>						
Administrative and General Salaries (920)	1,506,182		1,398,726		1,418,406	
Office Supplies and Expenses (921)	128,509		107,181		100,835	
Outside Services Employed (923)	467,826		288,555		236,697	
Property Insurance (924)	447,689		439,941		445,236	
Casualty Ins, Injuries & Damages (925)	413,357		430,668		702,680	
Employee Pensions and Benefits (926)	4,491,898		4,481,541		4,213,608	
Fringe Benefits Charged to Constr. (927)	(241,529)		(245,631)		(190,999)	
Regulatory Commission (928)	49,851		65,172		60,259	
Miscellaneous General Expense (930)	462,258		321,101		316,633	
Maintenance of General Plant (932)	353,235		273,654		217,053	
Maintenance of A/O Center (934)	288,079		273,719		292,502	
Vacation, Holiday, Sick Leave (936)	237,667		228,594		229,845	
Depreciation (933)	800,354		382,130		1,606	
Total Administrative and General	<u>9,405,376</u>	15.2	<u>8,445,351</u>	13.5	<u>8,044,361</u>	13.0
Total Operating Expense	<u><u>\$64,660,505</u></u>		<u><u>\$63,137,192</u></u>		<u><u>\$59,882,906</u></u>	
Percent to Operating Revenue		104.8		100.8		97.1

Muscatine Power and Water - Electric Utility
Statistical Data
August 2017

Total Fuel Cost

(To & Including Ash Handling, Gas & Oil)

	<u>Current Month</u>	
	<u>2017</u>	<u>2016</u>
Per Million Btu.	\$1.728	\$1.795
Per Net MW Generated	\$20.14	\$20.29
Net Peak Monthly Demand-KW	126,930	131,950
Date of Peak	8/10	8/18
Hour of Peak	1500	1700

Calendar Year-To-Date

	<u>2017</u>	<u>2016</u>
Per Million Btu.	\$1.787	\$1.830
Per Net MW Generated	\$20.29	\$20.15
Net Peak Monthly Demand-KW	135,210	134,700
Date of Peak	6/12	7/21
Hour of Peak	1600	1600

Average Temperature	67.4°	73.6°
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<u>Services</u>	<u>2017</u>	<u>2016</u>
Residential	9,855	9,843
Commercial I	1,389	1,364
Commercial II	109	116
Industrial I	11	11
Industrial II	2	2
City Enterprise Funds	24	22
Water & Communications Utility	35	35
Total	<u>11,425</u>	<u>11,393</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis - Excluding Wind
Current Month - August 2017

	<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>71,022,240</u>		<u>65,407,682</u>		<u>101,043,094</u>	
<u>Wholesale Sales*</u>	<u>\$2,516,367</u>	<u>\$0.03543</u>	<u>\$2,086,948</u>	<u>\$0.03191</u>	<u>\$4,068,011</u>	<u>\$0.04026</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	1,414,172	0.01991	1,263,776	0.01932	1,973,582	0.01953
Emissions:						
SO ² Allowances-ARP ^{fn1}	---	---	3	---	58	0.00000
SO ² Allowances-CSAPR ^{fn2}	---	---	7	---	144	0.00000
NO _x Allowances ^{fn3}	---	---	28,314	---	46,418	0.00046
Other ^{fn4}	<u>159,224</u>	<u>0.00224</u>	<u>178,138</u>	<u>0.00272</u>	<u>193,885</u>	<u>0.00192</u>
Total Variable Costs	<u>1,573,396</u>	<u>0.02215</u>	<u>1,470,238</u>	<u>0.02248</u>	<u>2,214,087</u>	<u>0.02191</u>
Gross Margin	<u>\$942,971</u>	<u>\$0.01328</u>	<u>\$616,710</u>	<u>\$0.00943</u>	<u>\$1,853,924</u>	<u>\$0.01835</u>
Percent Gross Margin	37.5%		29.6%		45.6%	

*Wholesale analysis excludes wind. (see next page)

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>545,861,659</u>		<u>522,961,743</u>		<u>571,834,659</u>	
<u>Wholesale Sales*</u>	<u>\$18,545,158</u>	<u>\$0.03397</u>	<u>\$19,016,469</u>	<u>\$0.03636</u>	<u>\$17,548,887</u>	<u>\$0.03069</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	10,311,899	0.01889	10,070,373	0.01926	10,947,461	0.01914
Emissions:						
SO ² Allowances-ARP ^{fn1}	882	0.00000	139	0.00000	232	---
SO ² Allowances-CSAPR ^{fn2}	882	0.00000	353	0.00000	577	---
NO _x Allowances ^{fn3}	296,337	0.00054	153,409	0.00029	173,665	0.00030
Other ^{fn4}	<u>1,273,790</u>	<u>0.00233</u>	<u>1,370,344</u>	<u>0.00262</u>	<u>1,543,810</u>	<u>0.00270</u>
Total Variable Costs	<u>11,883,790</u>	<u>0.02177</u>	<u>11,594,618</u>	<u>0.02217</u>	<u>12,665,745</u>	<u>0.02215</u>
Gross Margin	<u>\$6,661,368</u>	<u>\$0.01220</u>	<u>\$7,421,851</u>	<u>\$0.01419</u>	<u>\$4,883,142</u>	<u>\$0.00854</u>
Percent Gross Margin	35.9%		39.0%		27.8%	

*Wholesale analysis excludes wind. (see next page)

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

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
fn1 SO ² ARP	\$2.00	\$0.80	\$0.80
YTD SO ² ARP	2.00	0.79	0.80
fn2 SO ² CSAPR	0.00	2.00	2.00
YTD SO ² CSAPR	0.00	2.00	2.00
fn3 NO _x annual	500.00	3.25	8.50
NO _x seasonal	1,300.00	525.00	300.00
YTD NO _x annual	500.00	4.86	37.84
YTD NO _x seasonal	1,300.00	643.52	251.91

fn4 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
Wind Sales Analysis
Current Month - August 2017

	<u>Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
<u>Revenue</u>						
<u>Wholesale kWh Sales</u>	<u>2,171,408</u>		<u>2,409,892</u>		<u>0</u>	
<u>Wholesale Sales</u>	<u>\$65,077</u>	<u>\$0.02997</u>	<u>\$40,578</u>	<u>\$0.01684</u>	<u>\$0</u>	---
<u>Expense</u>						
<u>Purchased Power kWh</u>	<u>2,171,408</u>		<u>2,409,892</u>		<u>0</u>	
<u>Purchased Power</u>	<u>\$56,457</u>	<u>0.02600</u>	<u>\$62,771</u>	<u>0.02605</u>	<u>\$0</u>	---
<u>Gross Margin/(Loss)</u>	<u>\$8,620</u>	<u>\$0.00397</u>	<u>(\$22,193)</u>	<u>(\$0.00921)</u>	<u>\$0</u>	---
Percent Gross Margin	13.2%		-54.7%		---	
RECs Sold	---		---		---	
REC Net Proceeds	\$0	---	\$0	---	\$0	---
Misc Wind Revenues/Charges	\$0		\$0		\$0	
Wind Net Margin/(Loss)	\$8,620		(\$22,193)		\$0	

Calendar Year To Date

	<u>Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
<u>Revenue</u>						
<u>Wholesale kWh Sales</u>	<u>30,777,516</u>		<u>33,247,640</u>		<u>0</u>	
<u>Wholesale Sales</u>	<u>\$664,481</u>	<u>\$0.02159</u>	<u>\$454,426</u>	<u>\$0.01367</u>	<u>\$0</u>	---
<u>Expense</u>						
<u>Purchased Power kWh</u>	<u>30,777,516</u>		<u>33,247,640</u>		<u>0</u>	
<u>Purchased Power</u>	<u>\$800,215</u>	<u>0.02600</u>	<u>\$864,587</u>	<u>0.02600</u>	<u>\$0</u>	---
<u>Gross Margin/(Loss)</u>	<u>(\$135,734)</u>	<u>(\$0.00441)</u>	<u>(\$410,161)</u>	<u>(\$0.01234)</u>	<u>\$0</u>	---
Percent Gross Margin	-20.4%		-90.3%		---	
RECs Sold	---		2,500		---	
REC Net Proceeds	\$0	---	\$1,875	0.75	\$0	---
Misc Wind Revenues/Charges	\$0		\$0		\$0	
Wind Net Margin/(Loss)	(\$135,734)		(\$408,286)		\$0	

	<u>Budget</u>	<u>This Year</u>	<u>Last Year</u>
RECs at end of Prior Period	0	3,438	0
RECs Added This Period	0	24,873	0
RECs Sold This Period	0	2,500	0
Number of RECs on hand	0	25,811	0
Market Value per REC	\$0.00	\$0.75	\$0.00
Value of RECs on Hand	\$0.00	\$19,358.49	\$0.00

Muscatine Power and Water - Electric Utility
SUPPLEMENTAL STATISTICAL DATA - FOR INTERNAL PURPOSES ONLY
August 2017

Delivered to Wholesale Customers

	<u>Current Month 2017 Budget</u>	<u>Current Month 2017 Actual</u>	<u>Current Month 2016 Actual</u>	<u>Year-To-Date 2017 Budget</u>	<u>Year-To-Date 2017 Actual</u>	<u>Year-To-Date 2016 Actual</u>
Wholesale Sales KWHs	73,193,648	67,817,574	101,043,094	576,639,175	556,209,383	571,834,659
Wholesale Sales	\$2,581,444	\$2,127,526	\$4,068,011	\$19,209,639	\$19,470,895	\$17,548,887
Less:						
Production Fuel	1,474,229	1,308,789	2,038,835	10,858,962	10,545,656	11,436,939
Generation-Other	1,647,713	1,703,526	1,896,081	17,733,751	16,226,662	14,453,104
Transmission	296,934	199,277	240,781	2,507,221	1,903,042	2,009,372
Subtotal	3,418,876	3,211,592	4,175,697	31,099,934	28,675,360	27,899,415
Wholesale Margin	<u>(\$837,432)</u>	<u>(\$1,084,066)</u>	<u>(\$107,686)</u>	<u>(\$11,890,295)</u>	<u>(\$9,204,465)</u>	<u>(\$10,350,528)</u>

Delivered to Steam Customer

	<u>Current Month 2017 Budget</u>	<u>Current Month 2017 Actual</u>	<u>Current Month 2016 Actual</u>	<u>Year-To-Date 2017 Budget</u>	<u>Year-To-Date 2017 Actual</u>	<u>Year-To-Date 2016 Actual</u>
Steam Sales - 1,000 lbs.	---	---	274,966	997,619	1,047,098	1,924,816
Steam Sales	---	---	\$1,084,786	\$4,095,826	\$4,005,118	\$7,628,999
Less:						
Production Fuel	---	---	598,735	2,066,141	2,222,856	4,275,565
Generation-Other	30,696	31,018	81,245	468,933	286,074	436,820
Steam Sales Margin	<u>(\$30,696)</u>	<u>(\$31,018)</u>	<u>\$404,807</u>	<u>\$1,560,752</u>	<u>\$1,496,188</u>	<u>\$2,916,614</u>

Delivered to Paying Native System Customers

	<u>Current Month 2017 Budget</u>	<u>Current Month 2017 Actual</u>	<u>Current Month 2016 Actual</u>	<u>Year-To-Date 2017 Budget</u>	<u>Year-To-Date 2017 Actual</u>	<u>Year-To-Date 2016 Actual</u>
Native System Sales KWHs	77,368,430	76,669,987	75,424,418	568,213,868	559,517,424	554,100,379
Native System Sales	\$5,411,825	\$5,504,023	\$5,111,589	\$37,794,967	\$38,488,122	\$35,794,270
Less:						
Purchased Power	2,332,078	2,293,975	2,813,029	17,113,448	18,783,430	14,920,221
Distribution	477,286	440,745	461,428	3,792,801	4,036,404	3,700,374
Customer Service	24,516	19,224	30,471	206,350	191,459	131,968
Consumers Accounts	63,475	69,970	63,724	507,522	496,258	474,182
Administrative & General	1,133,739	1,040,807	960,162	9,405,376	8,445,351	8,044,361
Subtotal	4,031,094	3,864,721	4,328,814	31,025,497	31,952,902	27,271,106
Native System Margin	1,380,731	1,639,302	782,775	6,769,470	6,535,220	8,523,164
Steam Sales Margin	(30,696)	(31,018)	404,807	1,560,752	1,496,188	2,916,614
Wholesale Margin	(837,432)	(1,084,066)	(107,686)	(11,890,295)	(9,204,465)	(10,350,528)
Net Electric Margin	512,604	524,219	1,079,896	(3,560,073)	(1,173,057)	1,089,250
Other Revenue	85,830	137,464	125,787	615,408	701,785	704,247
Nonoperating Revenue (Expense)	8,578	37,204	14,345	66,672	207,098	102,618
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	<u>\$607,012</u>	<u>\$698,887</u>	<u>\$1,220,028</u>	<u>(\$2,877,993)</u>	<u>(\$264,174)</u>	<u>\$1,896,115</u>