

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

August 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 - August 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	124,830,403	(7.1)	116,029,614	8.1	107,310,324
Less: Plant Use	<u>11,068,488</u>	6.3	<u>11,760,998</u>	2.1	<u>11,517,213</u>
Net Generation/Wholesale Sales	<u>113,761,915</u>	(8.3)	<u>104,268,616</u>	8.8	<u>95,793,111</u>
<u>Net Capacity Factors</u>					
Unit 9	70.00	(2.6)	68.16	13.8	59.87
Unit 8/8A	60.53	(7.6)	55.93	(3.0)	57.66
Unit 7	50.00	(59.3)	20.36	(22.2)	26.17
Total Plant	66.24	(8.3)	60.76	8.6	55.93
<u>KWH Distribution</u>					
Residential	12,071,905	(11.2)	10,721,157	(14.8)	12,587,153
Commercial I	3,946,570	(4.1)	3,784,066	(6.2)	4,032,937
Commercial II	10,121,550	(10.2)	9,087,844	(3.9)	9,459,726
Industrial I	12,198,904	0.1	12,211,380	2.4	11,920,940
Industrial II	37,725,425	(6.9)	35,103,918	0.4	34,978,311
City Enterprise Funds	433,368	(19.3)	349,881	9.9	318,230
Water & Communications Utilities	<u>1,416,495</u>	0.1	<u>1,418,488</u>	4.9	<u>1,352,065</u>
Native System Sales	77,914,217	(6.7)	72,676,734	(2.6)	74,649,362
City Lighting	167,405	(3.0)	162,410	(0.1)	162,581
City Buildings	565,184	23.6	698,844	11.3	627,852
Offline Power Plant Usage	---	---	42,362	(11.9)	48,068
Losses & Cycle Billing	<u>2,464,821</u>	48.6	<u>3,662,266</u>	8.9X	<u>368,248</u>
Total Native System KWH					
Distributed/Purchased Power	<u>81,111,627</u>	(4.8)	<u>77,242,616</u>	1.8	<u>75,856,111</u>
 <u>STEAM SALES - 1000 lbs</u>					
	<u>247,435</u>	(14.6)	<u>211,417</u>	(16.6)	<u>253,564</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - August 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	606,987,194	36.5	828,238,341	62.4	509,949,934
Less: Plant Use	<u>61,198,174</u>	38.0	<u>84,448,174</u>	34.0	<u>63,012,134</u>
Net Generation/Wholesale Sales	<u>545,789,020</u>	36.3	<u>743,790,167</u>	66.4	<u>446,937,800</u>
<u>Net Capacity Factors</u>					
Unit 9	42.48	50.2	63.79	81.7	35.10
Unit 8/8A	37.98	20.6	45.80	23.5	37.10
Unit 7	31.44	(49.6)	15.86	24.6	12.73
Total Plant	40.54	36.4	55.28	66.8	33.15
<u>KWH Distribution</u>					
Residential	74,071,440	(4.0)	71,119,952	(4.8)	74,688,022
Commercial I	26,456,680	(0.2)	26,398,049	(0.1)	26,424,062
Commercial II	70,872,985	(6.0)	66,637,902	(2.1)	68,044,585
Industrial I	81,075,552	2.2	82,890,600	4.6	79,277,700
Industrial II	300,427,860	(3.1)	291,264,723	(2.4)	298,430,118
City Enterprise Funds	3,717,292	(11.4)	3,293,987	14.7	2,872,846
Water & Communications Utilities	<u>10,787,946</u>	(2.1)	<u>10,559,682</u>	5.3	<u>10,025,685</u>
Native System Sales	567,409,755	(2.7)	552,164,895	(1.4)	559,763,018
City Lighting	1,373,489	(2.0)	1,346,313	0.1	1,344,669
City Buildings	4,336,842	10.0	4,772,335	7.6	4,433,572
Offline Power Plant Usage	1,479,690	7.9	1,596,486	(56.3)	3,652,714
Losses & Cycle Billing	<u>19,609,171</u>	(2.1)	<u>19,201,868</u>	13.0	<u>17,000,154</u>
Total Native System KWH Distributed/Purchased Power	<u>594,208,947</u>	(2.5)	<u>579,081,897</u>	(1.2)	<u>586,194,127</u>
<u>STEAM SALES - 1000 lbs</u>	<u>1,763,144</u>	(1.7)	<u>1,732,557</u>	(4.4)	<u>1,812,232</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - August 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	\$1,041,788	0.08630	\$1,008,700	0.0941	\$1,102,091	0.08756
Commercial I	332,334	0.08421	329,929	0.0872	326,203	0.08088
Commercial II	615,276	0.06079	595,345	0.0655	555,382	0.05871
Industrial I	664,089	0.05444	657,043	0.0538	608,151	0.05102
Industrial II	1,855,734	0.04919	1,687,912	0.0481	1,636,590	0.04679
City Enterprise Funds	25,656	0.05920	23,481	0.0671	20,049	0.06300
Water & Communication Utilities	71,868	0.05074	78,256	0.0552	67,582	0.04998
Native System Sales	4,606,745	0.05913	4,380,666	0.0603	4,316,048	0.05782
Wholesale Sales	4,322,953	0.03800	3,270,129	0.0314	2,629,578	0.02745
Energy Sales	8,929,698		7,650,795		6,945,626	
<u>Steam Sales</u>	910,538	3.68	767,048	3.63	880,110	3.47
<u>Other Revenue</u>						
Rail Car Lease	---		---		59,443	
By-Product Revenue	31,292		30,259		28,357	
Miscellaneous Revenue	45,122		45,433		55,200	
Total Other Revenue	76,414		75,692		143,000	
Operating Revenue	9,916,650		8,493,535		7,968,736	
<u>Operating Expense</u>						
Purchased Power	2,838,907	0.03500	2,205,769	0.0286	1,804,341	0.02379
Production Fuel	2,948,948		2,618,030		2,483,730	
Emissions Allowance	6,172		7,984		11,574	
Operation	1,869,096		1,726,945		1,808,773	
Maintenance	776,559		671,066		800,629	
Depreciation	944,954		937,001		929,362	
Total Operating Expense	9,384,636		8,166,795		7,838,409	
Operating Income	532,014		326,740		130,327	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	111,815		109,038		104,336	
Interest Expense	(450)		(107)		(115)	
Total Nonoperating Revenue (Expense)	111,365		108,931		104,221	
Net Income Before Revenue Adjustment	643,379		435,671		234,548	
Capital Contributions	---		938		1,500	
Change in Net Position	643,379		436,609		236,048	
Beginning Net Position	160,422,653		163,479,221		164,669,623	
Ending Net Position	\$161,066,032		\$163,915,830		\$164,905,671	
Net Loss Before Rev Adj to Op Revenue	6.5		5.1		2.9	
Change in Net Position to Operating Revenue	6.5		5.1		3.0	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - August 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	\$6,343,785	0.08564	\$6,516,639	0.09163	\$6,240,273	0.08355
Commercial I	2,167,724	0.08193	2,174,268	0.08236	2,115,393	0.08006
Commercial II	4,314,081	0.06087	4,067,583	0.06104	4,053,927	0.05958
Industrial I	4,385,198	0.05409	4,393,601	0.05300	4,079,970	0.05146
Industrial II	14,206,273	0.04729	13,786,098	0.04733	13,543,620	0.04538
City Enterprise Funds	215,116	0.05787	199,625	0.06060	173,913	0.06054
Water & Communications Utilities	<u>538,540</u>	<u>0.04992</u>	<u>544,092</u>	<u>0.05153</u>	<u>495,381</u>	<u>0.04941</u>
Native System Sales	32,170,717	0.05670	31,681,906	0.05738	30,702,477	0.05485
Wholesale Sales	<u>16,930,044</u>	<u>0.03102</u>	<u>23,219,632</u>	<u>0.03122</u>	<u>13,117,497</u>	<u>0.02935</u>
Energy Sales	<u>49,100,761</u>		<u>54,901,538</u>		<u>43,819,974</u>	
Steam Sales	<u>6,494,776</u>	3.68	<u>6,351,502</u>	3.67	<u>6,575,560</u>	3.63
<u>Other Revenue</u>						
Rail Car Lease	218,000		172,575		539,420	
By-Product Revenue	296,116		135,322		433,827	
Miscellaneous Revenue	<u>390,465</u>		<u>411,254</u>		<u>423,691</u>	
Total Other Revenue	<u>904,581</u>		<u>719,151</u>		<u>1,396,938</u>	
Operating Revenue	<u>56,500,118</u>		<u>61,972,191</u>		<u>51,792,472</u>	
<u>Operating Expense</u>						
Purchased Power	15,109,922	0.02543	15,966,289	0.02757	13,133,634	0.02240
Production Fuel	15,154,508		18,874,863		13,323,705	
Emissions Allowance	45,732		58,762		52,490	
Operation	15,172,766		14,148,008		14,139,465	
Maintenance	7,129,673		6,287,203		6,029,113	
Depreciation	<u>7,559,630</u>		<u>7,496,008</u>		<u>7,434,896</u>	
Total Operating Expense	<u>60,172,231</u>		<u>62,831,133</u>		<u>54,113,303</u>	
Operating Loss	<u>(3,672,113)</u>		<u>(858,942)</u>		<u>(2,320,831)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	887,792		860,329		838,315	
Interest Expense	<u>(3,600)</u>		<u>(1,142)</u>		<u>(1,016)</u>	
Total Nonoperating Revenue (Expense)	<u>884,192</u>		<u>859,187</u>		<u>837,299</u>	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(2,787,921)		245		(1,483,532)	
Capital Contributions	---		61,635		11,943	
Revenue Adjustment-Extraordinary O&M	<u>---</u>		<u>---</u>		<u>4,000,000</u>	
Change in Net Position	(2,787,921)		61,880		2,528,411	
Beginning Net Position	<u>163,853,950</u>		<u>163,853,950</u>		<u>162,377,260</u>	
Ending Net Position	<u>\$161,066,029</u>		<u>\$163,915,830</u>		<u>\$164,905,671</u>	
Net Loss Before Rev Adj to Op Revenue	(4.9)		0.0		(2.9)	
Change in Net Position to Operating Revenue	(4.9)		0.1		4.9	

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

ASSETS

	<u>2013</u>	<u>2012</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$231,242	\$6,032,610
Investments	<u>5,800,793</u>	---
Total Restricted Current Assets	<u>6,032,035</u>	<u>6,032,610</u>
<u>Unrestricted</u>		
Cash - interest bearing	4,930,808	9,257,001
Investments	17,701,984	---
Receivables:		
Consumer Accounts	5,376,623	5,703,571
Wholesale	826,493	420,531
Steam Sales	806,299	1,141,578
Interest	223,741	207,901
Intercompanies	---	22,806
Inventories	6,394,048	6,587,798
Fuel	5,650,057	13,870,455
Prepaid Expenses	<u>885,102</u>	<u>724,934</u>
Total Unrestricted Current Assets	<u>42,795,155</u>	<u>37,936,575</u>
Total Current Assets	<u>48,827,190</u>	<u>43,969,185</u>
Property and Equipment:		
At Cost	412,145,826	409,307,354
Less Accumulated Depreciation	<u>318,741,793</u>	<u>308,621,339</u>
Net Property and Equipment	<u>93,404,033</u>	<u>100,686,015</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	400,000	---
Joint Venture Rights	<u>105,668</u>	<u>116,918</u>
Total Other Assets	<u>35,832,668</u>	<u>35,443,918</u>
TOTAL ASSETS	<u>\$178,063,891</u>	<u>\$180,099,118</u>

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

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$2,378,154	\$2,086,297
Pension Provision	238,272	1,482,916
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	618,395	586,578
Accrued Vacation	1,127,516	1,054,139
Accrued Emission Allowance Expense	58,762	334,298
Consumers' Deposits	583,526	583,603
Retained Percentage on Contracts	44,017	15,298
Accrued Property Taxes	120,739	122,442
Miscellaneous Accrued Expenses	706,875	649,773
Miscellaneous Deferred Credits	<u>4,548</u>	<u>13,850</u>
Total Unrestricted Current Liabilities	<u>6,054,630</u>	<u>7,125,727</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,652,487	1,699,013
Post-Employment Health Benefit Provision	227,708	155,471
Consumer Advances for Construction	<u>180,370</u>	<u>180,370</u>
Total Non-Current Liabilities	<u>2,060,565</u>	<u>2,034,854</u>
Deferred Revenue - Extraordinary O & M	<u>6,032,866</u>	<u>6,032,866</u>
Net Position:		
Net Investment in Capital Assets	93,404,033	100,686,015
Restricted	6,032,035	6,032,610
Unrestricted	<u>64,479,762</u>	<u>58,187,046</u>
Total Net Position	<u>163,915,830</u>	<u>164,905,671</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$178,063,891</u></u>	<u><u>\$180,099,118</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,076,220	\$31,060,440
MISO sales	3,195,367	21,288,552
Steam sales	925,200	6,424,540
Coal & transportation allowances	---	3,925
Railcar leasing	---	249,469
By-product sales	25,787	90,703
Miscellaneous sources	19,945	385,427
Cash paid to/for:		
Suppliers	(1,720,919)	(6,697,039)
MISO purchases/administration fees	(2,138,887)	(15,732,957)
Coal	(1,911,547)	(10,109,080)
Employees payroll, taxes and benefits	<u>(1,622,642)</u>	<u>(14,406,325)</u>
Net cash flows from operating activities	<u>848,524</u>	<u>12,557,655</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	<u>(459,568)</u>	<u>(2,899,283)</u>
Net cash flows from capital and related financing activities	<u>(459,568)</u>	<u>(2,899,283)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	—	(65,515)
Interest received on investments and note receivable	425	861,081
Accrued interest purchased	---	(1,540)
Amortization/accretion of investments	78	927
Mark to Market	<u>(34)</u>	<u>(229)</u>
Net cash flows from investing activities	<u>469</u>	<u>794,724</u>
Net increase in cash and investments	<u>389,425</u>	<u>10,453,096</u>
Cash and investments at beginning of period	<u>27,038,645</u>	<u>16,974,974</u>
Cash and investments at end of period	<u><u>\$27,428,070</u></u>	<u><u>\$27,428,070</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
August 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)	\$326,740	(\$858,942)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	7,496,008
Amortization of joint venture rights	7,992	70,405
Changes in assets and liabilities:		
Consumer accounts receivable	(405,042)	(606,013)
Wholesale receivable	123,717	(731,914)
Steam sales receivable	157,886	128,232
Intercompany receivable	---	17,211
Inventories	49,792	172,266
Fuel	329,773	7,138,103
Prepaid expenses	139,345	(408,555)
Accounts payable	234,195	839,758
Pension provision	136,700	238,272
Health & dental insurance provision	(87,223)	2,752
Other post-employment benefit provision	23,506	58,944
Accrued payroll	(1,088,006)	(1,010,181)
Accrued vacation	(36,343)	15,672
Accrued emission allowance expense	7,985	(7,263)
Consumers' deposits	537	8,610
Retained percentage	2,838	44,017
Accrued property taxes	6,004	14,420
Miscellaneous accrued expenses	(17,071)	(54,845)
Miscellaneous deferred credits	<u>(1,802)</u>	<u>(9,302)</u>
Net cash flows from operating activities	<u><u>\$848,524</u></u>	<u><u>\$12,557,655</u></u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,035</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$6,032,035</u>	<u>\$6,032,610</u>

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
Purchased Power	\$2,838,907	28.6	\$1,804,341
Average price per kWh	\$0.0350	\$0.0286	\$0.0238
Generation			
Operation Supervision	78,161	80,609	84,153
Fuel:			
Coal	2,836,470	2,536,721	2,397,000
Fuel Oil	18,999	294	295
Gas	10,800	7,249	9,844
Coal Handling Expense	72,535	68,071	74,304
Landfill Operation Expense	10,144	5,695	2,287
Emissions Allowance Expense	6,172	7,984	11,574
Steam Expense:			
Boiler	113,201	92,492	100,184
Pollution Control	45,014	82,399	98,107
Electric Expense	106,614	98,620	106,019
Miscellaneous Steam Power Expense	188,286	192,135	139,804
Maintenance:			
Supervision	83,801	77,515	84,478
Structures	109,234	43,670	26,892
Boiler Plant:			
Boiler	145,213	116,287	142,364
Pollution Control	22,885	76,648	233,787
Electric Plant	45,694	30,662	33,592
System Control	38,945	17,256	17,581
Miscellaneous Steam Plant	65,792	85,698	51,725
Coal Handling Equipment	76,908	59,385	36,950
System Control and Load Dispatch	23,683	25,357	30,626
Vacation, Holiday, Sick Leave	71,519	70,407	70,239
Depreciation	<u>624,688</u>	<u>622,373</u>	<u>622,359</u>
Total Generation Expense	\$4,794,758	48.4	\$4,374,164
		51.8	54.9

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

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	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
Purchased Power	<u>\$15,109,922</u>	<u>26.7</u>	<u>25.8</u>
Average price per kWh	<u>\$0.0254</u>	<u>\$0.0276</u>	<u>\$0.0224</u>
Generation			
Operation Supervision	616,280	626,916	603,518
Fuel:			
Coal	14,263,441	18,135,245	12,578,305
Fuel Oil	141,612	81,481	121,610
Gas	135,000	89,848	97,572
Coal Handling Expense	558,737	529,483	483,910
Landfill Operation Expense	55,718	38,806	42,308
Emissions Allowance Expense	45,732	58,762	52,490
Steam Expense:			
Boiler	923,233	787,829	794,426
Pollution Control	413,493	318,673	295,556
Electric Expense	780,307	740,057	763,497
Miscellaneous Steam Power Expense	1,465,347	1,273,441	1,349,205
Maintenance:			
Supervision	631,481	641,742	633,159
Structures	562,804	461,180	422,654
Boiler Plant:			
Boiler	1,707,555	1,419,005	1,532,728
Pollution Control	383,255	432,986	628,080
Electric Plant	682,947	538,302	288,433
System Control	176,671	140,356	125,218
Miscellaneous Steam Plant	595,712	546,859	497,232
Coal Handling Equipment	864,481	576,377	643,540
System Control and Load Dispatch	194,097	212,236	256,368
Vacation, Holiday, Sick Leave	682,441	738,449	741,508
Depreciation	<u>4,997,504</u>	<u>4,978,984</u>	<u>4,978,872</u>
Total Generation Expense	<u>\$30,877,848</u>	<u>54.7</u>	<u>\$33,367,017</u>
		53.8	<u>\$27,930,189</u>
			53.9

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<u>Transmission</u>					
Operation Supervision	\$3,852		\$3,792		\$4,308
Load Dispatching	53,709		44,490		53,058
Station Expense	8,643		8,676		7,507
Overhead Line Expense	130		---		---
Transmission of Electricity by Others	10,933		14,079		2,947
Miscellaneous Transmission Expense	10,786		5,125		6,492
Maintenance:					
Supervision	1,937		1,897		2,132
Structures	881		---		---
Station Equipment	6,652		2,197		5,596
Overhead Lines	10,057		5,067		65
Vacation, Holiday, Sick Leave	5,035		6,153		3,783
Depreciation	30,745		30,625		30,625
Tax on Rural Property	<u>5,682</u>		<u>5,774</u>		<u>5,627</u>
Total Transmission Expense	<u>149,042</u>	1.5	<u>127,875</u>	1.5	<u>122,140</u>
					1.5
<u>Distribution</u>					
Operation Supervision	10,979		11,401		12,625
Load Dispatching	36,231		31,401		30,075
Station Expense	6,972		7,181		7,987
Overhead Line Expense	5,351		3,133		2,151
Vehicle Expense	15,644		10,636		20,989
Underground Line Expense	3,520		3,641		5,163
Street Lighting	1,767		3,714		2,482
Signal Expense	651		431		268
Meter Expense	7,850		7,924		10,394
Consumer Installation Expense	622		602		1,668
Miscellaneous Distribution Expense	<u>52,751</u>		<u>44,987</u>		<u>65,144</u>
Maintenance:					
Supervision	10,361		10,405		11,483
Structures	870		---		---
Station Equipment	11,051		19,933		4,787
Overhead Lines	47,770		44,848		68,174
Underground Lines	9,152		4,382		6,468
Line Transformers	11,996		773		4,259
Street Lighting	5,181		3,105		2,810
Signal System	2,087		4,620		7,054
Meters	2,381		(358)		522
Miscellaneous Distribution Plant	2,278		4,122		1,837
Vacation, Holiday, Sick Leave	21,723		20,922		19,542
Depreciation	<u>156,137</u>		<u>155,502</u>		<u>152,158</u>
Tax on Rural Property	<u>1,697</u>		<u>1,725</u>		<u>1,681</u>
Total Distribution Expense	<u>\$425,022</u>	4.3	<u>\$395,030</u>	4.7	<u>\$439,721</u>
					5.5

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>			
<u>Transmission</u>						
Operation Supervision	\$29,394	\$31,835	\$29,865			
Load Dispatching	364,686	424,404	375,348			
Station Expense	66,112	55,051	60,425			
Overhead Line Expense	641	2,639	2,422			
Transmission of Electricity by Others	87,464	105,597	21,497			
Miscellaneous Transmission Expense	86,165	47,742	50,837			
Maintenance:						
Supervision	14,886	15,076	13,178			
Structures	9,483	---	---			
Station Equipment	65,142	46,712	33,090			
Overhead Lines	82,659	97,506	97,634			
Vacation, Holiday, Sick Leave	48,719	52,257	38,733			
Depreciation	245,958	245,000	245,000			
Tax on Rural Property	<u>45,456</u>	<u>45,828</u>	<u>44,406</u>			
Total Transmission Expense	<u>1,146,765</u>	2.0	<u>1,169,647</u>	1.9	<u>1,012,435</u>	2.0
<u>Distribution</u>						
Operation Supervision	83,125	89,796	78,196			
Load Dispatching	282,266	223,986	231,399			
Station Expense	58,833	47,353	57,033			
Overhead Line Expense	40,682	15,748	12,060			
Vehicle Expense	125,149	137,911	113,034			
Underground Line Expense	26,715	23,339	24,462			
Street Lighting	13,763	17,775	22,301			
Signal Expense	8,069	1,458	2,065			
Meter Expense	62,777	70,507	74,785			
Consumer Installation Expense	4,931	4,826	11,666			
Miscellaneous Distribution Expense	413,344	405,485	427,448			
Maintenance:						
Supervision	75,878	81,220	69,953			
Structures	8,789	---	---			
Station Equipment	74,924	94,073	52,772			
Overhead Lines	402,401	513,554	396,295			
Underground Lines	71,782	51,740	48,376			
Line Transformers	43,439	49,220	47,508			
Street Lighting	41,401	57,009	25,135			
Signal System	20,518	20,969	32,206			
Meters	21,010	18,142	8,118			
Miscellaneous Distribution Plant	18,224	19,101	17,203			
Vacation, Holiday, Sick Leave	213,476	223,147	195,984			
Depreciation	1,249,099	1,244,016	1,217,264			
Tax on Rural Property	<u>13,576</u>	<u>13,686</u>	<u>13,276</u>			
Total Distribution Expense	<u>\$3,374,171</u>	6.0	<u>\$3,424,061</u>	5.5	<u>\$3,178,539</u>	6.1

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>	
<u>Customer Service Expense</u>				
Customer Information Expense	\$12,074	\$10,227	\$4,816	
Energy Efficiency Rebates	19,892	6,305	12,864	
Electric Ranges/Dryers Maintenance	450	540	456	
Electric Water Heaters Maintenance	179	29	169	
 Total Customer Service Expense	 <u>32,595</u>	 0.3	 <u>17,101</u>	 0.2
 <u>Consumer Accounts</u>				
Supervision	2,758	3,311	2,439	
Meter Reading Expense	8,245	7,420	8,997	
Consumer Records and Collection	31,430	35,682	32,443	
Uncollectible Accounts Expense	3,297	3,297	2,403	
Vacation, Holiday, Sick Leave	3,312	3,695	3,500	
 Total Consumer Accounts Expense	 <u>49,042</u>	 0.5	 <u>53,405</u>	 0.6
 <u>Administrative and General</u>				
Administrative and General Salaries	167,913	195,929	186,943	
Office Supplies and Expenses	21,479	13,514	19,481	
Outside Services Employed	66,410	48,737	18,043	
Property Insurance	55,708	55,169	46,620	
Casualty Ins, Injuries & Damages	36,613	19,505	64,668	
Employee Pensions and Benefits	515,974	453,820	485,555	
Fringe Benefits Charged to Constr.	(28,949)	(36,662)	(27,668)	
Regulatory Commission	8,567	(19,729)	4,400	
Miscellaneous General Expense	32,310	25,740	30,845	
Maintenance of General Plant	28,618	25,568	21,551	
Maintenance of A/O Center	36,815	37,386	36,522	
Vacation, Holiday, Sick Leave	20,428	22,610	18,776	
Depreciation	<u>133,384</u>	<u>128,501</u>	<u>124,220</u>	
 Total Administrative and General	 <u>1,095,270</u>	 11.0	 <u>970,088</u>	 11.4
 Total Operating Expense	 <u>\$9,384,636</u>	 <u>\$8,166,795</u>	 <u>\$7,838,409</u>	
 Percent to Operating Revenue	 94.6	 96.2	 98.4	

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<u>Customer Service Expense</u>					
Customer Information Expense	\$122,412		\$57,796		80,515
Energy Efficiency Rebates	164,137		96,766		134,652
Electric Ranges/Dryers Maintenance	3,887		4,382		3,544
Electric Water Heaters Maintenance	1,335		648		732
 Total Customer Service Expense	 \$291,771	 0.5	 \$159,592	 0.3	 \$219,443
 <u>Consumer Accounts</u>					
Supervision	21,516		24,490		17,006
Meter Reading Expense	66,915		70,418		69,915
Consumer Records and Collection	253,543		268,639		233,701
Uncollectible Accounts Expense	26,373		26,376		19,220
Vacation, Holiday, Sick Leave	32,597		35,052		35,770
 Total Consumer Accounts Expense	 400,944	 0.7	 424,975	 0.7	 375,612
 <u>Administrative and General</u>					
Administrative and General Salaries	1,291,700		1,420,106		1,293,453
Office Supplies and Expenses	174,577		119,984		133,040
Outside Services Employed	591,417		354,891		424,294
Property Insurance	417,674		415,706		349,528
Casualty Ins, Injuries & Damages	292,908		233,047		374,124
Employee Pensions and Benefits	4,183,179		3,920,932		3,935,784
Fringe Benefits Charged to Constr.	(193,946)		(150,279)		(153,833)
Regulatory Commission	68,533		38,731		45,171
Miscellaneous General Expense	305,955		253,958		249,176
Maintenance of General Plant	244,269		201,131		181,919
Maintenance of A/O Center	329,962		264,943		234,682
Vacation, Holiday, Sick Leave	197,513		218,394		202,353
Depreciation	1,067,069		1,028,008		993,760
 Total Administrative and General	 8,970,810	 15.9	 8,319,552	 13.4	 8,263,451
 Total Operating Expense	 \$60,172,231		 \$62,831,133		 \$54,113,303
 Percent to Operating Revenue		 106.5		 101.4	 104.5

Muscatine Power and Water - Electric Utility
Statistical Data
August 2013

Total Fuel Cost

(To & Including Ash Handling, Gas & Oil)

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.810	\$1.793
Per Net MW Generated	\$20.70	\$20.32
Net Peak Monthly Demand-KW	137,860	130,300
Date of Peak	8/27	8/3
Hour of Peak	1400	1700

Calendar Year-To-Date

	<u>2013</u>	<u>2012</u>
Per Million Btu.	\$1.820	\$1.861
Per Net MW Generated	\$20.31	\$20.95
Net Peak Monthly Demand-KW	137,860	138,450
Date of Peak	8/27	7/5
Hour of Peak	1400	1500
Average Temperature	72.3°	70.8°

Services

	<u>2013</u>	<u>2012</u>
Residential	9,711	9,710
Commercial I	1,371	1,390
Commercial II	115	116
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	11,264	11,284

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - August 2013

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
Wholesale kWh Sales	<u>113,761,915</u>		<u>104,268,616</u>		<u>95,793,111</u>	
Wholesale Sales	<u>\$4,322,953</u>	<u>\$0.03800</u>	<u>\$3,270,129</u>	<u>\$0.03136</u>	<u>\$2,629,578</u>	<u>\$0.02745</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	2,289,962	0.02013	2,070,817	0.01986	1,848,517	0.01930
Emissions:						
SO ² Allowances ^{fn1}	178	0.00000	57	0.00000	223	0.00000
NO _x Allowances ^{fn2}	4,679	0.00004	7,295	0.00007	7,608	0.00008
Other ^{fn3}	<u>191,059</u>	<u>0.00168</u>	<u>187,258</u>	<u>0.00180</u>	<u>192,761</u>	<u>0.00201</u>
Total Variable Costs	<u>2,485,878</u>	<u>0.02185</u>	<u>2,265,427</u>	<u>0.02173</u>	<u>2,049,109</u>	<u>0.02139</u>
Gross Margin	<u>\$1,837,075</u>	<u>\$0.01615</u>	<u>\$1,004,702</u>	<u>\$0.00964</u>	<u>\$580,469</u>	<u>\$0.00606</u>
Percent Gross Margin	42.5%		30.7%		22.1%	

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>
Wholesale kWh Sales	<u>545,789,020</u>		<u>743,790,167</u>		<u>446,937,800</u>	
Wholesale Sales	<u>\$16,930,044</u>	<u>\$0.03102</u>	<u>\$23,219,632</u>	<u>\$0.03122</u>	<u>\$13,117,497</u>	<u>\$0.02935</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	10,567,642	0.01936	14,411,781	0.01938	8,742,715	0.01956
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	1,436	0.00000	337	0.00000	546	0.00000
NO _x Allowances ^{fn3}	29,917	0.00005	51,819	0.00007	31,027	0.00007
Other ^{fn4}	<u>1,528,472</u>	<u>0.00280</u>	<u>1,517,069</u>	<u>0.00204</u>	<u>1,546,003</u>	<u>0.00346</u>
Total Variable Costs	<u>12,127,467</u>	<u>0.02222</u>	<u>15,981,006</u>	<u>0.02149</u>	<u>10,320,291</u>	<u>0.02309</u>
Gross Margin	<u>\$4,802,577</u>	<u>\$0.00880</u>	<u>\$7,238,626</u>	<u>\$0.00973</u>	<u>\$2,797,206</u>	<u>\$0.00626</u>
Percent Gross Margin	28.4%		31.2%		21.3%	

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	\$2.75
YTD SO ²	2.00	0.75	1.55
fn2 NO _x annual	42.50	45.00	37.50
NO _x seasonal	10.00	21.50	15.00
fn3 YTD NO _x annual	42.50	42.14	41.70
YTD NO _x seasonal	10.00	14.56	8.13

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