

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

April 2014

**Muscatine Power and Water
Electric Utility**

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Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - April 2014

	<u>Budget Estimate</u>	<u>% Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>% Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>KWH Generated and Sold</u>					
Gross Generation	53,278,416	43.5	76,479,864	(41.2)	130,125,270
Less: Plant Use	<u>6,325,920</u>	39.1	<u>8,797,477</u>	(26.0)	<u>11,884,763</u>
Net Generation/Wholesale Sales	<u>46,952,496</u>	44.2	<u>67,682,387</u>	(42.8)	<u>118,240,507</u>
<u>Net Capacity Factors</u>					
Unit 9	30.00	67.2	50.17	(35.3)	77.54
Unit 8/8A	30.60	(30.8)	21.16	(70.0)	70.62
Unit 7	11.00	37.8	15.16	(41.1)	25.72
Total Plant	28.25	44.8	40.90	(42.5)	71.14
<u>KWH Distribution</u>					
Residential	6,600,000	7.5	7,097,913	(3.2)	7,333,000
Commercial I	2,720,600	(0.7)	2,702,914	(8.4)	2,949,475
Commercial II	8,196,000	(7.7)	7,568,740	2.8	7,362,560
Industrial I	9,612,760	(12.0)	8,456,280	(13.0)	9,722,120
Industrial II	37,399,745	3.9	38,841,625	6.0	36,648,284
City Enterprise Funds	525,000	(22.6)	406,411	(15.6)	481,787
Water & Communications Utilities	<u>1,364,573</u>	2.6	<u>1,400,398</u>	4.9	<u>1,334,541</u>
Native System Sales	66,418,678	0.1	66,474,281	1.0	65,831,767
City Lighting	172,322	(4.9)	163,946	(2.6)	168,333
City Buildings	448,358	11.2	498,678	3.2	483,193
Offline Power Plant Usage	134,966	1.6X	357,091	9.2X	34,909
Losses & Cycle Billing	<u>968,797</u>	35.8	<u>1,315,391</u>	(32.2)	<u>1,941,305</u>
Total Native System KWH Distributed/Purchased Power	<u>68,143,121</u>	1.0	<u>68,809,387</u>	0.5	<u>68,459,507</u>
 <u>STEAM SALES - 1000 lbs</u>					
	<u>248,958</u>	(4.8)	<u>237,122</u>	(8.2)	<u>258,390</u>

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

	<u>Budget Estimate</u>	<u>% Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>% Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>KWH Generated and Sold</u>					
Gross Generation	322,058,992	24.4	400,709,013	(3.7)	416,315,952
Less: Plant Use	<u>33,233,580</u>	22.4	<u>40,689,459</u>	(6.1)	<u>43,355,318</u>
Net Generation/Wholesale Sales	<u>288,825,412</u>	24.6	<u>360,019,554</u>	(3.5)	<u>372,960,634</u>
<u>Net Capacity Factors</u>					
Unit 9	47.79	19.4	57.05	(13.0)	65.56
Unit 8/8A	43.51	22.4	53.25	15.2	46.22
Unit 7	11.78	2.3X	38.76	5.0X	6.43
Total Plant	43.44	25.2	54.38	(3.0)	56.08
<u>KWH Distribution</u>					
Residential	32,150,000	11.3	35,781,578	7.5	33,273,423
Commercial I	12,239,975	5.2	12,873,249	0.2	12,842,032
Commercial II	33,996,875	(3.2)	32,923,784	4.1	31,616,754
Industrial I	36,234,375	(7.8)	33,410,860	(8.5)	36,498,060
Industrial II	152,146,345	(1.8)	149,386,596	0.0	149,346,736
City Enterprise Funds	2,115,000	(15.5)	1,787,302	3.1	1,732,729
Water & Communications Utilities	<u>5,338,589</u>	2.7	<u>5,482,275</u>	7.3	<u>5,109,201</u>
Native System Sales	274,221,159	(0.9)	271,645,644	0.5	270,418,935
City Lighting	680,322	(5.8)	640,786	(2.3)	655,757
City Buildings	2,084,014	21.9	2,540,368	12.1	2,266,881
Offline Power Plant Usage	366,014	2.7X	1,340,154	1.5X	540,445
Losses & Cycle Billing	<u>6,087,820</u>	4.0	<u>6,331,144</u>	(9.5)	<u>6,993,021</u>
Total Native System KWH	<u>283,439,329</u>	(0.3)	<u>282,498,096</u>	0.6	<u>280,875,039</u>
Distributed/Purchased Power					
<u>STEAM SALES - 1000 lbs</u>	<u>1,013,887</u>	(4.1)	<u>972,605</u>	(4.2)	<u>1,014,771</u>

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

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$654,078	0.09910	\$706,706	0.09957	\$684,790	0.09338
Commercial I	241,078	0.08861	239,476	0.08860	241,544	0.08189
Commercial II	556,954	0.06795	515,301	0.06808	459,410	0.06240
Industrial I	527,684	0.05489	493,381	0.05834	511,815	0.05264
Industrial II	1,771,480	0.04737	1,835,319	0.04725	1,734,788	0.04734
City Enterprise Funds	31,914	0.06079	26,124	0.06428	28,634	0.05943
Water & Communication Utilities	69,185	0.05070	78,712	0.05621	67,342	0.05046
Native System Sales	3,852,373	0.05800	3,895,019	0.05859	3,728,323	0.05663
Wholesale Sales	1,244,241	0.02650	2,011,576	0.02972	4,085,761	0.03455
Energy Sales	5,096,614		5,906,595		7,814,084	
<u>Steam Sales</u>	980,625	3.94	913,567	3.85	957,889	3.71
<u>Other Revenue</u>						
Rail Car Lease	27,600		---		---	
By-Product Revenue	---		10,558		12,584	
Miscellaneous Revenue	83,862		50,602		94,994	
Total Other Revenue	111,462		61,160		107,578	
Operating Revenue	6,188,701		6,881,322		8,879,551	
<u>Operating Expense</u>						
Purchased Power	1,652,471	0.02425	1,645,296	0.02391	2,234,789	0.03264
Production Fuel	1,611,828		2,053,320		2,928,510	
Emissions Allowance	7,517		6,321		8,481	
Operation	1,951,055		1,869,790		1,815,936	
Maintenance	927,519		911,062		873,275	
Depreciation	950,517		945,494		937,001	
Total Operating Expense	7,100,907		7,431,283		8,797,992	
Operating Income (Loss)	(912,206)		(549,961)		81,559	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	114,308		106,656		105,162	
Interest Expense	(133)		(448)		(104)	
Total Nonoperating Revenue (Expense)	114,175		106,208		105,058	
Net Income (Loss) Before Revenue Adjustment	(798,031)		(443,753)		186,617	
Capital Contributions	6,278		---		---	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(791,753)		(443,753)		186,617	
Beginning Net Position	154,058,441		157,828,516		163,913,894	
Ending Net Position	\$153,266,688		\$157,384,763		\$164,100,511	
Net Loss Before Rev Adj to Op Revenue	(12.9)		(6.5)		2.1	
Change in Net Position to Operating Revenue	(12.8)		(6.5)		2.1	

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

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$3,082,078	0.09587	\$3,422,551	0.09565	\$3,042,130	0.09143
Commercial I	1,073,561	0.08771	1,123,211	0.08725	1,044,534	0.08134
Commercial II	2,276,376	0.06696	2,183,043	0.06631	1,917,862	0.06066
Industrial I	2,018,750	0.05571	1,950,536	0.05838	1,956,352	0.05360
Industrial II	7,200,160	0.04732	7,110,735	0.04760	7,058,068	0.04726
City Enterprise Funds	125,216	0.05920	113,473	0.06349	102,523	0.05917
Water & Communications Utilities	269,949	0.05057	306,852	0.05597	258,669	0.05063
Native System Sales	16,046,090	0.05852	16,210,401	0.05967	15,380,138	0.05688
Wholesale Sales	8,024,218	0.02778	17,445,741	0.04846	10,945,351	0.02935
Energy Sales	24,070,308		33,656,142		26,325,489	
<u>Steam Sales</u>	3,913,754	3.86	3,729,543	3.83	3,756,114	3.70
<u>Other Revenue</u>						
Rail Car Lease	110,400		68,627		172,575	
By-Product Revenue	66,794		27,420		31,453	
Miscellaneous Revenue	215,668		184,947		226,900	
Total Other Revenue	392,862		280,994		430,928	
Operating Revenue	28,376,924		37,666,679		30,512,531	
<u>Operating Expense</u>						
Purchased Power	7,050,829	0.02488	10,737,235	0.03801	7,252,971	0.02582
Production Fuel	8,261,074		10,152,014		9,698,235	
Emissions Allowance	30,664		27,738		31,696	
Operation	7,811,568		7,450,230		7,209,255	
Maintenance	3,402,128		3,283,400		2,761,396	
Depreciation	3,802,066		3,781,976		3,748,004	
Total Operating Expense	30,358,329		35,432,593		30,701,557	
Operating Income (Loss)	(1,981,405)		2,234,086		(189,026)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	457,458		425,651		419,418	
Interest Expense	(533)		(1,031)		(703)	
Total Nonoperating Revenue (Expense)	456,925		424,620		418,715	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(1,524,480)		2,658,706		229,689	
Capital Contributions	65,111		---		16,872	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(1,459,369)		2,658,706		246,561	
Beginning Net Position	154,726,057		154,726,057		163,853,950	
Ending Net Position	<u>\$153,266,688</u>		<u>\$157,384,763</u>		<u>\$164,100,511</u>	
Net Loss Before Rev Adj to Op Revenue	(5.4)		7.1		0.8	
Change in Net Position to Operating Revenue	(5.1)		7.1		0.8	

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

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$6,040,688	\$1,231,242
Investments	<u>7,000,000</u>	<u>4,800,550</u>
Total Restricted Current Assets	<u>13,040,688</u>	<u>6,031,792</u>
<u>Unrestricted</u>		
Cash - interest bearing	18,567,347	11,048,404
Investments	5,500,000	9,201,352
Receivables:		
Consumer Accounts	4,809,186	5,018,145
Refined Coal	3,062,865	---
Wholesale	535,972	1,554,127
Steam Sales	993,822	1,033,551
Interest	419,833	418,873
Intercompanies	58	68
Inventories	6,105,982	6,457,776
Fuel	3,085,769	6,162,340
Prepaid Expenses	<u>1,179,136</u>	<u>1,122,533</u>
Total Unrestricted Current Assets	<u>44,259,970</u>	<u>42,017,169</u>
Total Current Assets	<u>57,300,658</u>	<u>48,048,961</u>
Property and Equipment:		
At Cost	413,207,308	409,920,938
Less Accumulated Depreciation	<u>325,039,028</u>	<u>315,435,056</u>
Net Property and Equipment	<u>88,168,280</u>	<u>94,485,882</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	650,000	---
Joint Venture Rights	<u>91,659</u>	<u>112,472</u>
Total Other Assets	<u>36,068,659</u>	<u>35,439,472</u>
TOTAL ASSETS	<u><u>\$181,537,597</u></u>	<u><u>\$177,974,315</u></u>

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2014</u>	<u>2013</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$4,967,045	\$1,776,247
Pension Provision	714,184	769,267
Health & Dental Insurance Provision	229,100	173,826
Accrued Payroll	173,807	114,489
Accrued Vacation	1,196,445	1,215,339
Accrued Emission Allowance Expense	98,433	97,721
Consumers' Deposits	618,094	584,656
Accrued Property Taxes	81,940	94,204
Miscellaneous Accrued Expenses	1,009,226	928,506
Unearned Mooring Lease	1,692	---
Total Unrestricted Current Liabilities	<u>9,089,966</u>	<u>5,754,255</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,494,983	1,729,594
Post-Employment Health Benefit Provision	354,649	176,719
Consumer Advances for Construction	<u>180,370</u>	<u>180,370</u>
Total Non-Current Liabilities	<u>2,030,002</u>	<u>2,086,683</u>
Deferred Inflows of Resources - Extraordinary O & M	<u>13,032,866</u>	<u>6,032,866</u>
Net Position:		
Net Investment in Capital Assets	88,168,280	94,485,882
Restricted	13,040,688	6,031,792
Unrestricted	<u>56,175,795</u>	<u>63,582,837</u>
Total Net Position	<u>157,384,763</u>	<u>164,100,511</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$181,537,597</u></u>	<u><u>\$177,974,315</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,093,129	\$16,396,716
MISO sales	1,519,854	18,377,566
Steam sales	930,162	3,815,607
Railcar/facilities leasing	23,188	157,832
By-product sales	107,067	162,766
Miscellaneous sources	55,358	180,634
Cash paid to/for:		
Suppliers	682,516	7,163,977
MISO purchases/administration fees	(2,039,690)	(11,932,007)
Coal	(4,403,443)	(18,748,237)
Employees payroll, taxes and benefits	(1,958,215)	(6,974,112)
Net cash flows from operating activities	<u>(990,074)</u>	<u>8,600,742</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(275,848)	(969,094)
Loan to Water Utility	<u>---</u>	<u>(250,000)</u>
Net cash flows from capital and related financing activities	<u>(275,848)</u>	<u>(1,219,094)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(22,235)
Interest received on investments and note receivable	6,702	654,361
Amortization/accretion of investments	(138)	(568)
Mark to Market	<u>(182)</u>	<u>(72)</u>
Net cash flows from investing activities	<u>6,382</u>	<u>631,486</u>
Net increase (decrease) in cash and investments	<u>(1,259,540)</u>	<u>8,013,134</u>
Cash and investments at beginning of period	<u>38,367,575</u>	<u>29,094,901</u>
Cash and investments at end of period	<u><u>\$37,108,035</u></u>	<u><u>\$37,108,035</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	(\$549,961)	\$2,234,086
Noncash items in operating income:		
Depreciation of electric utility plant	945,494	3,781,976
Amortization of joint venture rights	8,285	32,197
Changes in assets and liabilities:		
Consumer accounts receivable	342,291	1,951,441
Refined coal	(745,215)	(3,062,865)
Wholesale receivable	(258,617)	505,504
Steam sales receivable	16,277	84,768
Intercompany receivable	(58)	(58)
Inventories	174,240	212,626
Fuel	(202,993)	1,983,399
Prepaid expenses	(489,011)	(538,903)
Accounts payable	(186,149)	598,948
Pension provision	178,546	714,184
Health & dental insurance provision	108,665	465
Other post-employment benefit provision	8,229	32,917
Accrued payroll	(543,568)	(289,026)
Accrued vacation	21,566	102,965
Accrued emission allowance expense	6,321	27,738
Consumers' deposits	4,592	24,153
Accrued property taxes	8,138	(15,620)
Miscellaneous accrued expenses	163,686	221,122
Unearned mooring lease	(832)	(1,275)
Net cash flows from operating activities	<u>(\$990,074)</u>	<u>\$8,600,742</u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,040,688</u>	<u>\$6,031,792</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$13,040,688</u></u>	<u><u>\$6,031,792</u></u>

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$1,652,471</u>	26.7	<u>\$1,645,296</u>	23.9	<u>\$2,234,789</u>	25.2
Average price per kWh	\$0.0243		\$0.0239		\$0.0326	
<u>Generation</u>						
Operation Supervision	76,148		77,753		77,046	
Fuel:						
Coal	1,506,836		1,912,355		2,833,276	
Fuel Oil	16,649		42,049		226	
Gas	16,000		32,709		14,928	
Coal Handling Expense	67,287		64,200		76,264	
Landfill Operation Expense	5,056		2,007		3,816	
Emissions Allowance Expense	7,517		6,321		8,481	
Steam Expense:						
Boiler	119,847		108,110		90,356	
Pollution Control	39,564		34,490		37,060	
Electric Expense	91,930		99,732		92,288	
Miscellaneous Steam Power Expense	182,678		158,489		144,311	
Maintenance:						
Supervision	81,473		83,206		87,620	
Structures	95,013		73,143		130,699	
Boiler Plant:						
Boiler	266,682		303,472		231,330	
Pollution Control	49,378		47,870		37,734	
Electric Plant	38,644		53,670		67,800	
System Control	18,490		17,476		17,694	
Miscellaneous Steam Plant	68,330		56,818		64,149	
Coal Handling Equipment	63,567		45,490		45,321	
System Control and Load Dispatch	30,014		25,431		27,661	
Vacation, Holiday, Sick Leave	98,681		114,029		69,020	
Depreciation	<u>625,409</u>		<u>624,707</u>		<u>622,373</u>	
Total Generation Expense	<u>\$3,565,193</u>	57.6	<u>\$3,983,527</u>	57.9	<u>\$4,779,453</u>	53.8

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

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	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$7,050,829</u>	24.8	<u>\$10,737,235</u>	28.5	<u>\$7,252,971</u>	23.8
Average price per kWh	\$0.0249		\$0.0380		\$0.0258	
<u>Generation</u>						
Operation Supervision	308,276		323,359		311,919	
Fuel:						
Coal	7,844,778		9,590,671		9,325,363	
Fuel Oil	64,019		74,339		30,831	
Gas	72,450		192,469		40,914	
Coal Handling Expense	269,466		286,822		282,863	
Landfill Operation Expense	10,361		7,713		18,264	
Emissions Allowance Expense	30,664		27,738		31,696	
Steam Expense:						
Boiler	415,341		411,571		419,218	
Pollution Control	153,586		136,335		140,645	
Electric Expense	371,777		377,134		365,873	
Miscellaneous Steam Power Expense	833,029		623,204		645,766	
Maintenance:						
Supervision	324,956		341,513		322,721	
Structures	288,553		219,577		287,955	
Boiler Plant:						
Boiler	877,439		795,379		538,260	
Pollution Control	243,196		317,002		166,199	
Electric Plant	186,387		222,906		155,326	
System Control	76,658		79,027		76,744	
Miscellaneous Steam Plant	338,960		284,241		246,875	
Coal Handling Equipment	245,216		250,768		224,873	
System Control and Load Dispatch	126,350		107,276		108,357	
Vacation, Holiday, Sick Leave	340,064		406,346		373,652	
Depreciation	<u>2,501,635</u>		<u>2,498,828</u>		<u>2,489,492</u>	
Total Generation Expense	<u>\$15,923,161</u>	56.1	<u>\$17,574,218</u>	46.7	<u>\$16,603,806</u>	54.4

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$3,840		\$4,246		\$4,432	
Load Dispatching	51,839		81,559		63,941	
Station Expense	10,443		13,334		7,895	
Overhead Line Expense	201		---		397	
Transmission of Electricity by Others	28,433		29,281		11,844	
Miscellaneous Transmission Expense	11,533		3,237		4,439	
Maintenance:						
Supervision	1,925		2,037		2,018	
Structures	1,144		---		---	
Station Equipment	13,374		8,243		5,298	
Overhead Lines	10,386		8,246		18,384	
Vacation, Holiday, Sick Leave	7,517		6,446		3,371	
Depreciation	31,041		30,688		30,625	
Tax on Rural Property	5,716		5,642		5,682	
Total Transmission Expense	<u>177,392</u>	2.9	<u>192,959</u>	2.8	<u>158,326</u>	1.8
<u>Distribution</u>						
Operation Supervision	10,522		12,078		12,020	
Load Dispatching	29,997		28,672		26,150	
Station Expense	5,675		8,373		3,453	
Overhead Line Expense	2,953		1,338		468	
Vehicle Expense	17,761		17,013		16,389	
Underground Line Expense	3,031		3,329		3,316	
Street Lighting	1,718		616		1,482	
Signal Expense	624		5,353		---	
Meter Expense	7,835		8,079		8,104	
Consumer Installation Expense	608		764		509	
Miscellaneous Distribution Expense	45,275		51,017		66,147	
Maintenance:						
Supervision	9,223		10,937		10,796	
Structures	824		---		---	
Station Equipment	57,266		11,453		6,551	
Overhead Lines	42,683		33,411		69,620	
Underground Lines	7,039		79,854		5,530	
Line Transformers	2,867		5,125		11,019	
Street Lighting	5,108		7,512		3,120	
Signal System	1,760		3,350		1,027	
Meters	5,965		1,543		1,701	
Miscellaneous Distribution Plant	2,318		2,182		2,311	
Vacation, Holiday, Sick Leave	32,332		28,555		13,725	
Depreciation	159,472		158,237		155,502	
Tax on Rural Property	1,708		1,685		1,697	
Total Distribution Expense	<u>\$454,564</u>	7.3	<u>\$480,476</u>	7.0	<u>\$420,637</u>	4.7

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$15,570		\$17,311		\$16,260	
Load Dispatching	247,937		258,990		230,290	
Station Expense	32,901		59,979		25,838	
Overhead Line Expense	330		1,466		1,526	
Transmission of Electricity by Others	113,733		114,475		48,455	
Miscellaneous Transmission Expense	47,756		17,039		23,213	
Maintenance:						
Supervision	7,752		8,188		7,676	
Structures	1,395		---		---	
Station Equipment	33,855		27,455		29,023	
Overhead Lines	43,940		52,722		74,133	
Vacation, Holiday, Sick Leave	25,223		27,749		24,307	
Depreciation	124,165		122,752		122,500	
Tax on Rural Property	22,864		22,673		22,824	
Total Transmission Expense	717,421	2.5	730,799	1.9	626,045	2.1
<u>Distribution</u>						
Operation Supervision	43,296		48,664		45,496	
Load Dispatching	114,468		116,482		100,766	
Station Expense	28,752		39,787		18,019	
Overhead Line Expense	33,718		5,620		5,123	
Vehicle Expense	71,050		64,819		67,196	
Underground Line Expense	12,653		8,778		9,214	
Street Lighting	6,571		9,458		4,569	
Signal Expense	2,361		6,414		535	
Meter Expense	34,100		37,987		38,549	
Consumer Installation Expense	2,531		2,858		3,259	
Miscellaneous Distribution Expense	192,311		201,906		218,375	
Maintenance:						
Supervision	39,079		43,716		41,081	
Structures	2,037		---		---	
Station Equipment	88,245		32,638		25,719	
Overhead Lines	218,769		175,367		263,341	
Underground Lines	37,327		100,408		19,116	
Line Transformers	13,921		11,544		37,434	
Street Lighting	21,609		22,070		12,702	
Signal System	11,173		10,327		5,197	
Meters	12,240		8,722		11,301	
Miscellaneous Distribution Plant	9,270		10,909		7,691	
Vacation, Holiday, Sick Leave	108,403		109,325		116,239	
Depreciation	637,887		632,948		622,008	
Tax on Rural Property	6,832		6,768		6,814	
Total Distribution Expense	\$1,748,603	6.2	\$1,707,515	4.5	\$1,679,744	5.5

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$9,075		\$2,460		\$3,728	
Energy Efficiency Rebates	20,116		4,925		28,349	
Electric Ranges/Dryers Maintenance	441		694		703	
Electric Water Heaters Maintenance	168		86		86	
Total Customer Service Expense	<u>29,800</u>	0.5	<u>8,165</u>	0.1	<u>32,866</u>	0.4
<u>Consumer Accounts</u>						
Supervision	2,761		1,734		3,345	
Meter Reading Expense	9,769		8,569		9,363	
Consumer Records and Collection	32,264		34,621		41,213	
Uncollectible Accounts Expense	4,317		4,317		3,297	
Vacation, Holiday, Sick Leave	4,556		5,173		3,058	
Total Consumer Accounts Expense	<u>53,667</u>	0.9	<u>54,414</u>	0.8	<u>60,276</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	165,845		166,905		191,590	
Office Supplies and Expenses	23,301		9,929		16,923	
Outside Services Employed	95,091		26,541		45,306	
Property Insurance	59,026		59,470		55,169	
Casualty Ins, Injuries & Damages	42,519		40,313		42,692	
Employee Pensions and Benefits	524,738		529,238		524,375	
Fringe Benefits Charged to Constr.	(33,528)		(29,721)		(13,770)	
Regulatory Commission	8,608		6,959		8,012	
Miscellaneous General Expense	32,406		39,860		38,695	
Maintenance of General Plant	29,483		23,742		27,583	
Maintenance of A/O Center	54,577		32,282		25,970	
Vacation, Holiday, Sick Leave	31,159		29,066		20,599	
Depreciation	134,595		131,862		128,501	
Total Administrative and General	<u>1,167,820</u>	18.9	<u>1,066,446</u>	15.5	<u>1,111,645</u>	12.5
Total Operating Expense	<u>\$7,100,907</u>		<u>\$7,431,283</u>		<u>\$8,797,992</u>	
Percent to Operating Revenue		114.7		108.0		99.1

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$52,242		\$23,454		\$26,580	
Energy Efficiency Rebates	80,461		25,488		44,003	
Electric Ranges/Dryers Maintenance	1,865		1,906		2,509	
Electric Water Heaters Maintenance	735		419		345	
Total Customer Service Expense	<u>\$135,303</u>	0.5	<u>\$51,267</u>	0.1	<u>\$73,437</u>	0.2
<u>Consumer Accounts</u>						
Supervision	10,999		11,273		11,950	
Meter Reading Expense	35,748		38,397		36,781	
Consumer Records and Collection	128,876		131,457		132,302	
Uncollectible Accounts Expense	17,266		17,266		13,188	
Vacation, Holiday, Sick Leave	16,654		18,820		18,159	
Total Consumer Accounts Expense	<u>209,543</u>	0.7	<u>217,213</u>	0.6	<u>212,380</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	663,450		670,107		679,733	
Office Supplies and Expenses	89,934		59,811		69,006	
Outside Services Employed	316,187		185,978		173,955	
Property Insurance	224,185		224,977		195,030	
Casualty Ins, Injuries & Damages	169,280		189,682		118,114	
Employee Pensions and Benefits	2,069,357		2,065,602		2,047,982	
Fringe Benefits Charged to Constr.	(99,144)		(92,223)		(53,949)	
Regulatory Commission	34,433		28,001		32,440	
Miscellaneous General Expense	183,102		182,029		153,103	
Maintenance of General Plant	131,393		119,618		99,610	
Maintenance of A/O Center	148,758		149,303		108,419	
Vacation, Holiday, Sick Leave	104,155		104,013		115,727	
Depreciation	538,379		527,448		514,004	
Total Administrative and General	<u>4,573,469</u>	16.1	<u>4,414,346</u>	11.7	<u>4,253,174</u>	13.9
Total Operating Expense	<u>\$30,358,329</u>		<u>\$35,432,593</u>		<u>\$30,701,557</u>	
Percent to Operating Revenue		107.0		94.1		100.6

Muscatine Power and Water - Electric Utility
Statistical Data
April 2014

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

	<u>Current Month</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.980	\$1.817
Per Net MW Generated	\$22.69	\$19.91
Net Peak Monthly Demand-KW	112,790	109,430
Date of Peak	4/1	4/1
Hour of Peak	900	1000

	<u>Calendar Year-To-Date</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.908	\$1.831
Per Net MW Generated	\$22.23	\$20.08
Net Peak Monthly Demand-KW	115,760	114,210
Date of Peak	2/10	2/1
Hour of Peak	800	1000

Average Temperature	49°	47.5°
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<u>Services</u>	<u>2014</u>	<u>2013</u>
Residential	9,737	9,751
Commercial I	1,363	1,383
Commercial II	118	114
Industrial I	10	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,285</u>	<u>11,315</u>

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

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
<u>Wholesale kWh Sales</u>	<u>46,952,496</u>		<u>67,682,387</u>		<u>118,240,507</u>	
<u>Wholesale Sales</u>	<u>\$1,244,241</u>	<u>\$0.02650</u>	<u>\$2,011,576</u>	<u>\$0.02972</u>	<u>\$4,085,761</u>	<u>\$0.03455</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	932,412	0.01986	1,454,761	0.02149	2,255,131	0.01907
Emissions:						
SO ² Allowances ^{fn1}	448	0.00001	16	0.00000	66	0.00000
NO _x Allowances ^{fn2}	5,764	0.00012	3,609	0.00005	7,266	0.00006
Other ^{fn3}	<u>186,673</u>	<u>0.00398</u>	<u>186,673</u>	<u>0.00276</u>	<u>191,059</u>	<u>0.00162</u>
Total Variable Costs	<u>1,125,297</u>	<u>0.02397</u>	<u>1,645,059</u>	<u>0.02431</u>	<u>2,453,522</u>	<u>0.02075</u>
Gross Margin	<u>\$118,944</u>	<u>\$0.00253</u>	<u>\$366,517</u>	<u>\$0.00542</u>	<u>\$1,632,239</u>	<u>\$0.01380</u>
Percent Gross Margin	9.6%		18.2%		39.9%	

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>288,825,412</u>		<u>360,019,554</u>		<u>372,960,634</u>	
<u>Wholesale Sales</u>	<u>\$8,024,218</u>	<u>\$0.02778</u>	<u>\$17,445,741</u>	<u>\$0.04846</u>	<u>\$10,945,351</u>	<u>\$0.02935</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	5,599,187	0.01939	7,604,285	0.02112	7,116,107	0.01908
Emissions: ^{fn1}						
SO ² Allowances ^{fn2}	1,836	0.00001	189	0.00000	159	0.00000
NO _x Allowances ^{fn3}	26,752	0.00009	25,582	0.00007	20,684	0.00006
Other ^{fn4}	<u>746,692</u>	<u>0.00259</u>	<u>746,692</u>	<u>0.00207</u>	<u>764,236</u>	<u>0.00205</u>
Total Variable Costs	<u>6,374,467</u>	<u>0.02207</u>	<u>8,376,748</u>	<u>0.02327</u>	<u>7,901,186</u>	<u>0.02119</u>
Gross Margin	<u>\$1,649,751</u>	<u>\$0.00571</u>	<u>\$9,068,993</u>	<u>\$0.02519</u>	<u>\$3,044,165</u>	<u>\$0.00816</u>
Percent Gross Margin	20.6%		52.0%		27.8%	

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

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

fn3 Other includes variable generation O&M, rail car cost, and Title V permit fees. Costs included have been amortized evenly over the year.