

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 Distributed/Purchased Power	<u>283,439,329</u>	(0.3)	<u>282,498,096</u>	0.6	<u>280,875,039</u>
<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	<u>269,949</u>	<u>0.05057</u>	<u>306,852</u>	<u>0.05597</u>	<u>258,669</u>	<u>0.05063</u>
Native System Sales	16,046,090	0.05852	16,210,401	0.05967	15,380,138	0.05688
Wholesale Sales	<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>
Energy Sales	<u>24,070,308</u>		<u>33,656,142</u>		<u>26,325,489</u>	
<u>Steam Sales</u>	<u>3,913,754</u>	<u>3.86</u>	<u>3,729,543</u>	<u>3.83</u>	<u>3,756,114</u>	<u>3.70</u>
<u>Other Revenue</u>						
Rail Car Lease	110,400		68,627		172,575	
By-Product Revenue	66,794		27,420		31,453	
Miscellaneous Revenue	<u>215,668</u>		<u>184,947</u>		<u>226,900</u>	
Total Other Revenue	<u>392,862</u>		<u>280,994</u>		<u>430,928</u>	
Operating Revenue	<u>28,376,924</u>		<u>37,666,679</u>		<u>30,512,531</u>	
<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	<u>3,802,066</u>		<u>3,781,976</u>		<u>3,748,004</u>	
Total Operating Expense	<u>30,358,329</u>		<u>35,432,593</u>		<u>30,701,557</u>	
Operating Income (Loss)	<u>(1,981,405)</u>		<u>2,234,086</u>		<u>(189,026)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	457,458		425,651		419,418	
Interest Expense	<u>(533)</u>		<u>(1,031)</u>		<u>(703)</u>	
Total Nonoperating Revenue (Expense)	<u>456,925</u>		<u>424,620</u>		<u>418,715</u>	
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	<u>—</u>		<u>—</u>		<u>—</u>	
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:		
Unrestricted		
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	---
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	<hr/> <u>9,089,966</u>	<hr/> <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	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	<hr/> <u>2,030,002</u>	<hr/> <u>2,086,683</u>
Deferred Inflows of Resources - Extraordinary O & M	<hr/> <u>13,032,866</u>	<hr/> <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	56,175,795	63,582,837
	<hr/>	<hr/>
Total Net Position	<hr/> <u>157,384,763</u>	<hr/> <u>164,100,511</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<hr/> <u>\$181,537,597</u>	<hr/> <u>\$177,974,315</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	<u>(1,958,215)</u>	<u>(6,974,112)</u>
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</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)	(\$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	<u>(832)</u>	<u>(1,275)</u>
Net cash flows from operating activities	<u><u>(\$990,074)</u></u>	<u><u>\$8,600,742</u></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>\$13,040,688</u>	<u>\$6,031,792</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>
Purchased Power	\$1,652,471	26.7	\$1,645,296	23.9	\$2,234,789
Average price per kWh	\$0.0243		\$0.0239		\$0.0326
Generation					25.2
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	625,409		624,707		622,373
Total Generation Expense	\$3,565,193	57.6	\$3,983,527	57.9	\$4,779,453
					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>
Purchased Power	\$7,050,829	24.8	\$10,737,235	28.5	\$7,252,971
Average price per kWh	\$0.0249		\$0.0380		\$0.0258
Generation					
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>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>\$420,637</u> 4.7

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

	<u>Budget 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	<u>22,864</u>	<u>22,673</u>	<u>22,824</u>	
Total Transmission Expense	<u>717,421</u>	2.5	<u>626,045</u>	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	<u>6,832</u>	<u>6,768</u>	<u>6,814</u>	
Total Distribution Expense	<u>\$1,748,603</u>	6.2	<u>\$1,707,515</u>	4.5
			<u>\$1,679,744</u>	5.5

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>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	 29,800	 0.5	 32,866
	 29,800	 0.5	 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	 53,667	 0.9	 60,276
	 53,667	 0.9	 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	 1,167,820	 18.9	 1,111,645
	 1,167,820	 18.9	 12.5
 Total Operating Expense	 \$7,100,907	 \$7,431,283	 \$8,797,992
 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>\$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>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>4,253,174</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°

<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>
Wholesale kWh Sales	<u>46,952,496</u>		<u>67,682,387</u>		<u>118,240,507</u>	
Wholesale Sales	<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>
Variable Costs						
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>
Wholesale kWh Sales	<u>288,825,412</u>		<u>360,019,554</u>		<u>372,960,634</u>	
Wholesale Sales	<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>
Variable Costs						
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.