

**Muscatine Power and Water**

**Electric Utility**

**Statement of Revenues, Expenses and Changes in Net Position**

**March 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 - March 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>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	72,063,914	(7.6)	66,589,631	(36.2)	104,398,176
Less: Plant Use	<u>7,591,776</u>	(5.5)	<u>7,174,968</u>	(33.7)	<u>10,825,126</u>
Net Generation/Wholesale Sales	<u><b>64,472,138</b></u>	(7.8)	<u><b>59,414,663</b></u>	(36.5)	<u><b>93,573,050</b></u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	40.00	(21.3)	31.48	(49.8)	62.68
Unit 8/8A	47.70	(4.1)	45.75	(11.3)	51.55
Unit 7	---	---	35.76	---	---
Total Plant	37.54	(7.7)	34.66	(36.3)	54.41
<b><u>KWH Distribution</u></b>					
Residential	8,150,000	(1.2)	8,055,421	(0.1)	8,066,650
Commercial I	3,161,200	(6.2)	2,966,575	(6.6)	3,175,159
Commercial II	8,587,400	(3.0)	8,332,284	(1.1)	8,421,333
Industrial I	9,045,140	(5.4)	8,552,440	(6.0)	9,102,860
Industrial II	40,750,555	(2.0)	39,947,791	0.6	39,723,183
City Enterprise Funds	550,000	(18.3)	449,269	2.0	440,479
Water & Communications Utilities	<u>1,347,526</u>	3.6	<u>1,396,451</u>	4.5	<u>1,336,634</u>
Native System Sales	71,591,821	(2.6)	69,700,231	(0.8)	70,266,298
City Lighting	173,791	(10.9)	154,819	(3.1)	159,831
City Buildings	502,461	20.6	606,218	5.4	575,000
Offline Power Plant Usage	183,029	3.2X	761,317	2.4X	221,890
Losses & Cycle Billing	<u>730,745</u>	1.9X	<u>2,103,435</u>	19.7	<u>1,757,672</u>
Total Native System KWH					
Distributed/Purchased Power	<u><b>73,181,847</b></u>	0.2	<u><b>73,326,020</b></u>	0.5	<u><b>72,980,691</b></u>
 <b><u>STEAM SALES - 1000 lbs</u></b>					
	<u><b>264,556</b></u>	(8.1)	<u><b>243,158</b></u>	(9.7)	<u><b>269,267</b></u>

**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Calendar Year-to-Date - March 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>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	268,780,576	20.6	324,229,150	13.3	286,190,682
Less: Plant Use	<u>26,907,660</u>	18.5	<u>31,891,983</u>	1.3	<u>31,470,555</u>
Net Generation/Wholesale Sales	<u>241,872,916</u>	20.9	<u>292,337,167</u>	14.8	<u>254,720,127</u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	53.72	10.5	59.35	(3.6)	61.57
Unit 8/8A	47.81	33.8	63.95	67.9	38.09
Unit 7	12.03	2.9X	46.63	---	---
Total Plant	48.51	21.4	58.87	19.4	49.30
<b><u>KWH Distribution</u></b>					
Residential	25,550,000	12.3	28,683,665	10.6	25,940,423
Commercial I	9,519,375	6.8	10,170,335	2.8	9,892,557
Commercial II	25,800,875	(1.7)	25,355,044	4.5	24,254,194
Industrial I	26,621,615	(6.3)	24,954,580	(6.8)	26,775,940
Industrial II	114,746,600	(3.7)	110,544,971	(1.9)	112,698,452
City Enterprise Funds	1,590,000	(13.2)	1,380,891	10.4	1,250,942
Water & Communications Utilities	<u>3,974,016</u>	2.7	<u>4,081,877</u>	8.1	<u>3,774,660</u>
Native System Sales	207,802,481	(1.3)	205,171,363	0.3	204,587,168
City Lighting	508,000	(6.1)	476,840	(2.2)	487,424
City Buildings	1,635,656	24.8	2,041,690	14.2	1,788,000
Offline Power Plant Usage	231,048	3.3X	983,063	94.5	505,536
Losses & Cycle Billing	<u>5,119,023</u>	(2.0)	<u>5,015,753</u>	(0.6)	<u>5,047,404</u>
Total Native System KWH Distributed/Purchased Power	<u>215,296,208</u>	(0.7)	<u>213,688,709</u>	0.6	<u>212,415,532</u>
<b><u>STEAM SALES - 1000 lbs</u></b>	<b><u>764,929</u></b>	<b>(3.8)</b>	<b><u>735,483</u></b>	<b>(2.8)</b>	<b><u>756,381</u></b>

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Current Month - March 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>
<b><u>Sales of Electricity</u></b>						
Residential	\$780,514	0.09577	\$783,214	0.09723	\$740,644	0.09182
Commercial I	276,843	0.08758	260,471	0.08780	258,544	0.08143
Commercial II	568,561	0.06621	549,413	0.06594	496,748	0.05899
Industrial I	502,830	0.05559	493,720	0.05773	487,695	0.05358
Industrial II	1,886,832	0.04630	1,864,868	0.04668	1,842,091	0.04637
City Enterprise Funds	32,206	0.05856	28,962	0.06446	25,704	0.05835
Water & Communication Utilities	67,837	0.05034	78,188	0.05599	66,436	0.04970
Native System Sales	4,115,623	0.05749	4,058,836	0.05823	3,917,862	0.05576
Wholesale Sales	1,708,512	0.02650	2,724,197	0.04585	2,750,048	0.02939
Energy Sales	5,824,135		6,783,033		6,667,910	
<b><u>Steam Sales</u></b>	<b>1,027,046</b>	3.88	<b>935,957</b>	3.85	<b>996,606</b>	3.70
<b><u>Other Revenue</u></b>						
Rail Car Lease	27,600		18,188		59,443	
By-Product Revenue	16,655		9,938		8,483	
Miscellaneous Revenue	44,341		54,286		37,442	
Total Other Revenue	88,596		82,412		105,368	
Operating Revenue	6,939,777		7,801,402		7,769,884	
<b><u>Operating Expense</u></b>						
Purchased Power	1,664,887	0.02275	2,311,254	0.03152	1,858,524	0.02547
Production Fuel	1,941,377		1,886,682		2,473,149	
Emissions Allowance	7,932		6,604		8,566	
Operation	1,952,221		1,895,749		1,844,247	
Maintenance	984,527		789,743		602,128	
Depreciation	950,517		945,494		937,001	
Total Operating Expense	7,501,461		7,835,526		7,723,615	
Operating Income (Loss)	(561,684)		(34,124)		46,269	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	114,346		106,154		105,123	
Interest Expense	(133)		(79)		(391)	
Total Nonoperating Revenue (Expense)	114,213		106,075		104,732	
<b>Net Income (Loss) Before Revenue Adjustment</b>	<b>(447,471)</b>		71,951		151,001	
Capital Contributions	46,278		---		5,047	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(401,193)		71,951		156,048	
Beginning Net Position	154,459,634		157,756,565		163,757,846	
<b>Ending Net Position</b>	<b>\$154,058,441</b>		<b>\$157,828,516</b>		<b>\$163,913,894</b>	
Net Loss Before Rev Adj to Op Revenue	(6.5)		0.9		1.9	
Change in Net Position to Operating Revenue	(5.8)		0.9		2.0	

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Calendar Year-to-Date - March 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>
<b><u>Sales of Electricity</u></b>						
Residential	\$2,428,000	0.09503	\$2,715,845	0.09468	\$2,357,340	0.09088
Commercial I	832,483	0.08745	883,735	0.08689	802,989	0.08117
Commercial II	1,719,422	0.06664	1,667,742	0.06578	1,458,452	0.06013
Industrial I	1,491,065	0.05601	1,457,156	0.05839	1,444,538	0.05395
Industrial II	5,428,680	0.04731	5,275,416	0.04772	5,323,280	0.04723
City Enterprise Funds	93,302	0.05868	87,348	0.06325	73,889	0.05907
Water & Communications Utilities	200,764	0.05052	228,140	0.05589	191,326	0.05069
Native System Sales	12,193,716	0.05868	12,315,382	0.06002	11,651,814	0.05695
Wholesale Sales	6,779,977	0.02803	15,434,164	0.05280	6,859,590	0.02693
Energy Sales	18,973,693		27,749,546		18,511,404	
<b><u>Steam Sales</u></b>	<b>2,933,129</b>	<b>3.83</b>	<b>2,815,976</b>	<b>3.83</b>	<b>2,798,225</b>	<b>3.70</b>
<b><u>Other Revenue</u></b>						
Rail Car Lease	82,800		68,627		172,575	
By-Product Revenue	66,794		16,862		18,869	
Miscellaneous Revenue	131,806		134,346		131,907	
Total Other Revenue	281,400		219,835		323,351	
Operating Revenue	22,188,222		30,785,357		21,632,980	
<b><u>Operating Expense</u></b>						
Purchased Power	5,398,358	0.02507	9,091,940	0.04255	5,018,182	0.02362
Production Fuel	6,649,247		8,098,692		6,769,723	
Emissions Allowance	23,147		21,417		23,216	
Operation	5,860,509		5,580,441		5,393,322	
Maintenance	2,474,611		2,372,338		1,888,119	
Depreciation	2,851,549		2,836,482		2,811,003	
Total Operating Expense	23,257,421		28,001,310		21,903,565	
Operating Income (Loss)	(1,069,199)		2,784,047		(270,585)	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	343,150		318,995		314,256	
Interest Expense	(400)		(583)		(599)	
Total Nonoperating Revenue (Expense)	342,750		318,412		313,657	
<b>Net Income (Loss) Before Revenue Adjustment and Capital Contributions</b>	<b>(726,449)</b>		<b>3,102,459</b>		<b>43,072</b>	
Capital Contributions	58,833		---		16,872	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(667,616)		3,102,459		59,944	
<b>Beginning Net Position</b>	<b>154,726,057</b>		<b>154,726,057</b>		<b>163,853,950</b>	
<b>Ending Net Position</b>	<b>\$154,058,441</b>		<b>\$157,828,516</b>		<b>\$163,913,894</b>	
Net Loss Before Rev Adj to Op Revenue	(3.3)		10.1		0.2	
Change in Net Position to Operating Revenue	(3.0)		10.1		0.3	

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

**ASSETS**

	<u>2014</u>	<u>2013</u>
<b>Current Assets:</b>		
<b><u>Restricted</u></b>		
Cash - interest bearing	\$8,036,642	\$5,233,022
Investments	<u>5,000,320</u>	<u>799,662</u>
Total Restricted Current Assets	<u>13,036,962</u>	<u>6,032,684</u>
<b><u>Unrestricted</u></b>		
Cash - interest bearing	21,830,613	9,281,873
Investments	3,500,000	9,200,993
Receivables:		
Consumer Accounts	5,151,477	5,272,106
Refined Coal	2,317,650	---
Wholesale	277,355	710,718
Steam Sales	1,010,099	1,065,771
Interest	319,559	312,087
Intercompanies	---	226
Inventories	6,280,222	6,626,561
Fuel	2,882,776	7,173,183
Prepaid Expenses	<u>542,218</u>	<u>1,223,128</u>
Total Unrestricted Current Assets	<u>44,111,969</u>	<u>40,866,646</u>
Total Current Assets	<u>57,148,931</u>	<u>46,899,330</u>
<b>Property and Equipment:</b>		
At Cost	413,081,023	409,833,789
Less Accumulated Depreciation	<u>324,095,190</u>	<u>314,499,808</u>
Net Property and Equipment	<u>88,985,833</u>	<u>95,333,981</u>
<b>Other Assets:</b>		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	650,000	---
Joint Venture Rights	<u>99,944</u>	<u>102,380</u>
Total Other Assets	<u>36,076,944</u>	<u>35,429,380</u>
<b>TOTAL ASSETS</b>	<u><u>\$182,211,708</u></u>	<u><u>\$177,662,691</u></u>

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

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

	<u>2014</u>	<u>2013</u>
<b>Current Liabilities:</b>		
<b><u>Unrestricted</u></b>		
Accounts Payable	\$5,153,194	\$1,608,756
Pension Provision	535,638	576,950
Health & Dental Insurance Provision	229,100	173,826
Accrued Payroll	717,375	611,356
Accrued Vacation	1,174,879	1,195,854
Accrued Emission Allowance Expense	92,112	89,241
Consumers' Deposits	613,502	583,307
Accrued Property Taxes	73,802	85,680
Miscellaneous Accrued Expenses	845,092	744,593
Unearned Mooring Lease	2,524	---
	<u>9,437,218</u>	<u>5,669,563</u>
Total Unrestricted Current Liabilities	<u>9,437,218</u>	<u>5,669,563</u>
<b>Non-Current Liabilities:</b>		
Health & Dental Insurance Provision	1,386,318	1,691,268
Post-Employment Health Benefit Provision	346,420	174,730
Consumer Advances for Construction	180,370	180,370
	<u>1,913,108</u>	<u>2,046,368</u>
Total Non-Current Liabilities	<u>1,913,108</u>	<u>2,046,368</u>
<b>Deferred Inflows of Resources - Extraordinary O &amp; M</b>	<u>13,032,866</u>	<u>6,032,866</u>
<b>Net Position:</b>		
Net Investment in Capital Assets	88,985,833	95,333,981
Restricted	13,036,962	6,032,684
Unrestricted	55,805,721	62,547,229
	<u>157,828,516</u>	<u>163,913,894</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$182,211,708</u></u>	<u><u>\$177,662,691</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
<b>Cash flows from operating activities:</b>		
<b>Cash received from:</b>		
Retail electric sales	\$4,128,719	\$12,303,587
MISO sales	6,387,273	16,857,713
Steam sales	889,198	2,885,445
Railcar/facilities leasing	34,670	134,644
By-product sales	3,948	55,698
Miscellaneous sources	28,963	125,278
<b>Cash paid to/for:</b>		
Suppliers	3,660,071	6,481,459
MISO purchases/administration fees	(3,545,491)	(9,892,318)
Coal	(5,930,006)	(14,344,794)
Employees payroll, taxes and benefits	<u>(1,558,184)</u>	<u>(5,015,896)</u>
<b>Net cash flows from operating activities</b>	<u>4,099,161</u>	<u>9,590,816</u>
<b>Cash flows from capital and related financing activities:</b>		
Capital expenditures, net	(390,532)	(693,246)
Loan to Water Utility	<u>---</u>	<u>(250,000)</u>
<b>Net cash flows from capital and related financing activities</b>	<u>(390,532)</u>	<u>(943,246)</u>
<b>Cash flows from investing activities:</b>		
Purchase of joint venture rights	---	(22,235)
Interest received on investments and note receivable	7,715	647,659
Amortization/accretion of investments	(143)	(430)
Mark to Market	<u>(57)</u>	<u>110</u>
<b>Net cash flows from investing activities</b>	<u>7,515</u>	<u>625,104</u>
Net increase in cash and investments	<u>3,716,144</u>	<u>9,272,674</u>
Cash and investments at beginning of period	<u>34,651,431</u>	<u>29,094,901</u>
Cash and investments at end of period	<u><u>\$38,367,575</u></u>	<u><u>\$38,367,575</u></u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**March 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)	(\$34,124)	\$2,784,047
Noncash items in operating income:		
Depreciation of electric utility plant	945,494	2,836,482
Amortization of joint venture rights	7,378	23,912
Changes in assets and liabilities:		
Consumer accounts receivable	49,509	1,609,150
Refined coal	1,879,500	(2,317,650)
Wholesale receivable	1,821,978	764,121
Steam sales receivable	(47,084)	68,491
Inventories	(161,715)	38,386
Fuel	(354,176)	2,186,392
Prepaid expenses	102,663	(49,892)
Accounts payable	(498,073)	785,097
Pension provision	178,546	535,638
Health & dental insurance provision	23,757	(108,200)
Other post-employment benefit provision	8,229	24,688
Accrued payroll	106,721	254,542
Accrued vacation	25,594	81,399
Accrued emission allowance expense	6,603	21,417
Consumers' deposits	6,136	19,561
Accrued property taxes	(37,634)	(23,758)
Miscellaneous accrued expenses	<u>69,859</u>	<u>56,993</u>
Net cash flows from operating activities	<u><u>\$4,099,161</u></u>	<u><u>\$9,590,816</u></u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,036,962</u>	<u>\$6,032,684</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$13,036,962</u>	<u>\$6,032,684</u>

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

	<u>Budget Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<b>Purchased Power</b>	<b>\$1,664,887</b>	<b>24.0</b>	<b>\$1,858,524</b>
Average price per kWh	<b>\$0.0227</b>	<b>\$0.0315</b>	<b>\$0.0255</b>
<b>Generation</b>			
Operation Supervision	77,563	82,257	77,815
Fuel:			
Coal	1,847,754	1,766,342	2,371,551
Fuel Oil	15,872	346	23,908
Gas	16,000	49,196	6,353
Coal Handling Expense	58,973	68,713	68,932
Landfill Operation Expense	2,778	2,085	2,405
Emissions Allowance Expense	7,932	6,604	8,566
Steam Expense:			
Boiler	88,895	108,187	152,992
Pollution Control	37,777	36,622	35,901
Electric Expense	91,248	94,746	87,277
Miscellaneous Steam Power Expense	255,032	182,683	178,669
Maintenance:			
Supervision	87,977	86,276	79,950
Structures	74,250	53,610	58,389
Boiler Plant:			
Boiler	291,826	148,942	117,317
Pollution Control	94,155	108,180	34,987
Electric Plant	66,276	80,389	18,857
System Control	19,465	17,473	16,255
Miscellaneous Steam Plant	96,640	65,174	58,861
Coal Handling Equipment	61,228	57,188	38,101
System Control and Load Dispatch	28,845	29,541	29,781
Vacation, Holiday, Sick Leave	71,044	84,471	109,949
Depreciation	<u>625,409</u>	<u>624,707</u>	<u>622,373</u>
Total Generation Expense	<u>\$4,016,939</u>	<u>57.9</u>	<u>\$4,199,189</u>
			54.0

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

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	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>
<b>Purchased Power</b>	<b>\$5,398,358</b>	24.3	<b>\$9,091,940</b>	29.5	<b>\$5,018,182</b>
Average price per kWh	\$0.0251		\$0.0425		\$0.0236
<b>Generation</b>					
Operation Supervision	232,128		245,606		234,873
Fuel:					
Coal	6,337,942		7,678,316		6,492,087
Fuel Oil	47,370		32,290		30,605
Gas	56,450		159,759		25,986
Coal Handling Expense	202,180		222,621		206,598
Landfill Operation Expense	5,305		5,706		14,447
Emissions Allowance Expense	23,147		21,417		23,216
Steam Expense:					
Boiler	295,494		303,461		328,862
Pollution Control	114,022		101,845		103,586
Electric Expense	279,847		277,402		273,585
Miscellaneous Steam Power Expense	650,351		464,714		501,455
Maintenance:					
Supervision	243,483		258,307		235,101
Structures	193,539		146,433		157,256
Boiler Plant:					
Boiler	610,757		491,907		306,930
Pollution Control	193,819		269,132		128,464
Electric Plant	147,743		169,235		87,526
System Control	58,169		61,551		59,050
Miscellaneous Steam Plant	270,630		227,424		182,726
Coal Handling Equipment	181,649		205,279		179,552
System Control and Load Dispatch	96,336		81,845		80,696
Vacation, Holiday, Sick Leave	241,384		292,317		304,631
Depreciation	<u>1,876,226</u>		<u>1,874,121</u>		<u>1,867,119</u>
Total Generation Expense	<u>\$12,357,971</u>	55.7	<u>\$13,590,688</u>	44.1	<u>\$11,824,351</u>
					54.7

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>
<b><u>Transmission</u></b>			
Operation Supervision	\$3,998	\$4,175	\$3,758
Load Dispatching	51,572	72,057	49,704
Station Expense	6,549	12,551	5,711
Overhead Line Expense	---	---	514
Transmission of Electricity by Others	28,433	30,013	12,038
Miscellaneous Transmission Expense	13,094	5,054	5,119
Maintenance:			
Supervision	1,977	2,032	1,811
Structures	114	---	---
Station Equipment	4,987	6,275	8,010
Overhead Lines	10,385	12,515	11,331
Vacation, Holiday, Sick Leave	5,084	10,072	8,033
Depreciation	31,041	30,688	30,625
Tax on Rural Property	<u>5,716</u>	<u>5,747</u>	<u>5,778</u>
Total Transmission Expense	<u>162,950</u>	2.3	<u>142,432</u>
		<u>191,179</u>	1.8
<b><u>Distribution</u></b>			
Operation Supervision	11,563	12,008	10,748
Load Dispatching	29,625	29,949	24,403
Station Expense	7,705	9,639	3,041
Overhead Line Expense	10,109	588	260
Vehicle Expense	17,780	14,244	15,976
Underground Line Expense	3,092	3,142	3,000
Street Lighting	1,618	2,003	409
Signal Expense	594	73	535
Meter Expense	10,381	11,857	12,130
Consumer Installation Expense	608	620	872
Miscellaneous Distribution Expense	54,127	45,366	51,181
Maintenance:			
Supervision	10,597	10,892	9,742
Structures	374	---	---
Station Equipment	9,700	5,059	7,284
Overhead Lines	60,051	32,852	69,025
Underground Lines	10,740	3,365	3,241
Line Transformers	3,683	1,404	11,382
Street Lighting	5,100	6,134	3,676
Signal System	4,387	4,949	1,144
Meters	1,965	1,576	1,638
Miscellaneous Distribution Plant	2,318	4,658	1,645
Vacation, Holiday, Sick Leave	21,874	22,186	35,563
Depreciation	159,472	158,237	155,502
Tax on Rural Property	<u>1,708</u>	<u>1,713</u>	<u>1,723</u>
Total Distribution Expense	<u>\$439,171</u>	6.3	<u>\$424,120</u>
		<u>\$382,514</u>	5.5

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

	<u>Budget</u> <u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>	
<b><u>Transmission</u></b>				
Operation Supervision	\$11,730	\$13,065	\$11,828	
Load Dispatching	196,098	177,431	166,349	
Station Expense	22,458	46,645	17,943	
Overhead Line Expense	129	1,466	1,129	
Transmission of Electricity by Others	85,300	85,194	36,611	
Miscellaneous Transmission Expense	36,224	13,803	18,774	
Maintenance:				
Supervision	5,827	6,151	5,658	
Structures	251	---	---	
Station Equipment	20,480	19,212	23,725	
Overhead Lines	33,554	44,477	55,749	
Vacation, Holiday, Sick Leave	17,705	21,303	20,936	
Depreciation	93,124	92,064	91,875	
Tax on Rural Property	<u>17,148</u>	<u>17,031</u>	<u>17,142</u>	
Total Transmission Expense	<u>540,028</u>	2.4	<u>467,719</u>	2.2
<b><u>Distribution</u></b>				
Operation Supervision	32,774	36,585	33,476	
Load Dispatching	84,470	87,810	74,616	
Station Expense	23,076	31,414	14,566	
Overhead Line Expense	30,765	4,283	4,655	
Vehicle Expense	53,289	47,805	50,808	
Underground Line Expense	9,622	5,449	5,899	
Street Lighting	4,853	8,842	3,087	
Signal Expense	1,736	1,062	535	
Meter Expense	26,265	29,908	30,446	
Consumer Installation Expense	1,923	2,094	2,750	
Miscellaneous Distribution Expense	147,036	150,889	152,227	
Maintenance:				
Supervision	29,856	32,780	30,286	
Structures	1,213	---	---	
Station Equipment	30,978	21,184	19,168	
Overhead Lines	176,086	141,956	193,721	
Underground Lines	30,289	20,554	13,586	
Line Transformers	11,055	6,419	26,415	
Street Lighting	16,501	14,557	9,581	
Signal System	9,413	6,977	4,171	
Meters	6,275	7,179	9,599	
Miscellaneous Distribution Plant	6,953	8,727	5,379	
Vacation, Holiday, Sick Leave	76,070	80,770	102,514	
Depreciation	478,415	474,711	466,506	
Tax on Rural Property	<u>5,124</u>	<u>5,083</u>	<u>5,117</u>	
Total Distribution Expense	<u>\$1,294,037</u>	5.8	<u>\$1,227,038</u>	4.0
			<u>\$1,259,108</u>	5.8

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

	<b>Budget</b> <b><u>Estimate</u></b>	<b><u>This Year</u></b>	<b><u>Last Year</u></b>
<b><u>Customer Service Expense</u></b>			
Customer Information Expense	\$17,883	\$13,509	\$5,680
Energy Efficiency Rebates	20,114	6,014	4,278
Electric Ranges/Dryers Maintenance	441	441	569
Electric Water Heaters Maintenance	168	157	---
Total Customer Service Expense	<u>38,606</u>	0.6	<u>20,121</u>
		0.3	<u>10,527</u>
		0.1	
<b><u>Consumer Accounts</u></b>			
Supervision	2,761	3,232	2,384
Meter Reading Expense	8,678	8,666	8,898
Consumer Records and Collection	32,264	35,557	28,008
Uncollectible Accounts Expense	4,317	4,317	3,297
Vacation, Holiday, Sick Leave	3,771	<u>3,745</u>	<u>5,167</u>
Total Consumer Accounts Expense	<u>51,791</u>	0.7	<u>55,517</u>
		0.7	<u>47,754</u>
		0.6	
<b><u>Administrative and General</u></b>			
Administrative and General Salaries	165,844	141,365	159,512
Office Supplies and Expenses	23,594	17,495	10,622
Outside Services Employed	70,742	33,973	36,361
Property Insurance	55,053	55,169	46,620
Casualty Ins, Injuries & Damages	41,720	67,859	35,165
Employee Pensions and Benefits	509,739	509,249	504,204
Fringe Benefits Charged to Constr.	(24,893)	(27,968)	(17,145)
Regulatory Commission	8,608	7,158	8,268
Miscellaneous General Expense	54,874	82,424	46,789
Maintenance of General Plant	33,095	29,938	22,615
Maintenance of A/O Center	33,237	50,862	26,867
Vacation, Holiday, Sick Leave	20,909	21,823	32,690
Depreciation	<u>134,595</u>	<u>131,862</u>	<u>128,501</u>
Total Administrative and General	<u>1,127,117</u>	16.2	<u>1,121,209</u>
		14.4	<u>1,041,069</u>
Total Operating Expense	<u><u>\$7,501,461</u></u>	<u><u>\$7,835,526</u></u>	<u><u>\$7,723,615</u></u>
Percent to Operating Revenue		108.1	100.4
		99.4	

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

	<b>Budget</b>		<b>This Year</b>		<b>Last Year</b>
	<u><b>Estimate</b></u>		<u><b>This Year</b></u>		<u><b>Last Year</b></u>
<b><u>Customer Service Expense</u></b>					
Customer Information Expense	\$43,167		\$20,994		\$22,853
Energy Efficiency Rebates	60,345		20,564		15,654
Electric Ranges/Dryers Maintenance	1,423		1,212		1,807
Electric Water Heaters Maintenance	<u>567</u>		<u>333</u>		<u>259</u>
<b>Total Customer Service Expense</b>	<b><u>\$105,502</u></b>	0.5	<b><u>\$43,103</u></b>	0.1	<b><u>\$40,573</u></b>
<b><u>Consumer Accounts</u></b>					
Supervision	8,238		9,538		8,604
Meter Reading Expense	25,979		29,828		27,418
Consumer Records and Collection	96,612		96,836		91,089
Uncollectible Accounts Expense	12,950		12,950		9,891
Vacation, Holiday, Sick Leave	<u>12,098</u>		<u>13,647</u>		<u>15,101</u>
<b>Total Consumer Accounts Expense</b>	<b><u>155,877</u></b>	0.7	<b><u>162,799</u></b>	0.5	<b><u>152,103</u></b>
<b><u>Administrative and General</u></b>					
Administrative and General Salaries	497,605		503,202		488,143
Office Supplies and Expenses	66,633		49,882		52,083
Outside Services Employed	221,095		159,438		128,649
Property Insurance	165,159		165,507		139,861
Casualty Ins, Injuries & Damages	126,761		149,369		75,422
Employee Pensions and Benefits	1,544,619		1,536,364		1,523,607
Fringe Benefits Charged to Constr.	(65,616)		(62,503)		(40,179)
Regulatory Commission	25,825		21,042		24,429
Miscellaneous General Expense	150,696		142,169		114,407
Maintenance of General Plant	101,910		95,876		72,027
Maintenance of A/O Center	94,181		117,021		82,449
Vacation, Holiday, Sick Leave	72,996		74,947		95,128
Depreciation	<u>403,784</u>		<u>395,586</u>		<u>385,503</u>
<b>Total Administrative and General</b>	<b><u>3,405,648</u></b>	<b>15.3</b>	<b><u>3,347,900</u></b>	<b>10.9</b>	<b><u>3,141,529</u></b>
<b>Total Operating Expense</b>	<b><u>\$23,257,421</u></b>		<b><u>\$28,001,310</u></b>		<b><u>\$21,903,565</u></b>
Percent to Operating Revenue		104.8		91.0	
					101.3

**Muscatine Power and Water - Electric Utility**  
**Statistical Data**  
**March 2014**

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

	<b><u>Current Month</u></b>	
	<b><u>2014</u></b>	<b><u>2013</u></b>
Per Million Btu.	\$1.932	\$1.852
Per Net MW Generated	\$22.76	\$20.11
Net Peak Monthly Demand-KW	114,310	114,210
Date of Peak	3/4	3/20
Hour of Peak	800	0800

**Calendar Year-To-Date**

	<b><u>2014</u></b>	<b><u>2013</u></b>
Per Million Btu.	\$1.891	\$1.837
Per Net MW Generated	\$22.12	\$20.16
Net Peak Monthly Demand-KW	115,760	114,210
Date of Peak	2/10	2/1
Hour of Peak	800	1000
Average Temperature	31.3°	30.3°

<b><u>Services</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Residential	9,749	9,756
Commercial I	1,365	1,383
Commercial II	117	114
Industrial I	10	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	<u>33</u>	<u>33</u>
Total	<u>11,298</u>	<u>11,320</u>

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

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
<b><u>Wholesale kWh Sales</u></b>	<b><u>64,472,138</u></b>		<b><u>59,414,663</u></b>		<b><u>93,573,050</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$1,708,512</u></b>	<b><u>\$0.02650</u></b>	<b><u>\$2,724,197</u></b>	<b><u>\$0.04585</u></b>	<b><u>\$2,750,048</u></b>	<b><u>\$0.02939</u></b>
<b><u>Variable Costs</u></b>						
Fuel (Coal, Gas & Fuel Oil)						
Emissions:						
SO <sup>2</sup> Allowances <sup>fn1</sup>	478	0.00001	35	0.00000	48	0.00000
NO <sub>x</sub> Allowances <sup>fn2</sup>	7,197	0.00011	4,533	0.00008	5,726	0.00006
Other <sup>fn3</sup>	<u>186,673</u>	<u>0.00290</u>	<u>186,673</u>	<u>0.00314</u>	<u>191,059</u>	<u>0.00204</u>
Total Variable Costs	<u>1,449,191</u>	<u>0.02248</u>	<u>1,456,325</u>	<u>0.02451</u>	<u>1,986,410</u>	<u>0.02123</u>
<b><u>Gross Margin</u></b>	<b><u>\$259,321</u></b>	<b><u>\$0.00402</u></b>	<b><u>\$1,267,872</u></b>	<b><u>\$0.02134</u></b>	<b><u>\$763,638</u></b>	<b><u>\$0.00816</u></b>
Percent Gross Margin	15.2%		46.5%		27.8%	

**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>
<b><u>Wholesale kWh Sales</u></b>	<b><u>241,872,916</u></b>		<b><u>292,337,167</u></b>		<b><u>254,720,127</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$6,779,977</u></b>	<b><u>\$0.02803</u></b>	<b><u>\$15,434,164</u></b>	<b><u>\$0.05280</u></b>	<b><u>\$6,859,590</u></b>	<b><u>\$0.02693</u></b>
<b><u>Variable Costs</u></b>						
Fuel (Coal, Gas & Fuel Oil)						
Emissions: <sup>fn1</sup>						
SO <sup>2</sup> Allowances <sup>fn2</sup>	4,666,775	0.01929	6,149,524	0.02104	4,860,976	0.01908
NO <sub>x</sub> Allowances <sup>fn3</sup>	1,388	0.00001	173	0.00000	93	0.00000
Other <sup>fn4</sup>	20,988	0.00009	21,973	0.00008	13,417	0.00005
Total Variable Costs	<u>5,249,170</u>	<u>0.02170</u>	<u>6,731,689</u>	<u>0.02303</u>	<u>5,447,663</u>	<u>0.02139</u>
<b><u>Gross Margin</u></b>	<b><u>\$1,530,807</u></b>	<b><u>\$0.00633</u></b>	<b><u>\$8,702,475</u></b>	<b><u>\$0.02977</u></b>	<b><u>\$1,411,927</u></b>	<b><u>\$0.00554</u></b>
Percent Gross Margin	22.6%		56.4%		20.6%	

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

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