

**Muscatine Power and Water**

**Electric Utility**

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

**September 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 - September 2013**

	<b><u>Budget Estimate</u></b>	<b><u>% Increase (Decrease) From Budget</u></b>	<b><u>This Year</u></b>	<b><u>% Increase (Decrease) Fr. Last Yr.</u></b>	<b><u>Last Year</u></b>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	45,480,096	47.8	67,229,983	16.1	57,925,164
Less: Plant Use	<u>5,426,208</u>	30.9	<u>7,103,391</u>	(2.7)	<u>7,299,051</u>
Net Generation/Wholesale Sales	<u><u>40,053,888</u></u>	50.1	<u><u>60,126,592</u></u>	18.8	<u><u>50,626,113</u></u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	22.00	42.6	31.37	(11.6)	35.50
Unit 8/8A	36.65	49.0	54.61	1.4X	23.08
Unit 7	15.00	1.4X	35.26	2.3X	10.68
Total Plant	24.10	50.2	36.20	18.5	30.54
<b><u>KWH Distribution</u></b>					
Residential	9,919,050	11.4	11,046,531	20.4	9,177,291
Commercial I	3,577,250	7.5	3,844,147	13.3	3,392,739
Commercial II	9,256,900	(0.7)	9,192,209	5.9	8,678,248
Industrial I	9,939,643	6.0	10,537,680	6.4	9,905,740
Industrial II	37,556,535	(1.9)	36,841,725	0.4	36,704,185
City Enterprise Funds	415,324	(18.2)	339,920	40.5	241,996
Water & Communications Utilities	<u>1,342,132</u>	(0.9)	<u>1,330,129</u>	8.2	<u>1,229,202</u>
Native System Sales	72,006,834	1.6	73,132,341	5.5	69,329,401
City Lighting	168,079	2.2	171,727	2.9	166,892
City Buildings	518,865	16.1	602,353	8.9	553,345
Offline Power Plant Usage	—	—	686,435	(5.8)	728,831
Losses & Cycle Billing	<u>(42,894)</u>	30.6X	<u>(1,356,264)</u>	(1.2)	<u>(1,372,356)</u>
Total Native System KWH Distributed/Purchased Power	<u><u>72,650,884</u></u>	0.8	<u><u>73,236,592</u></u>	5.5	<u><u>69,406,113</u></u>
 <b><u>STEAM SALES - 1000 lbs</u></b>					
	<u><u>245,890</u></u>	(6.2)	<u><u>230,621</u></u>	29.1	<u><u>178,700</u></u>

**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Calendar Year-to-Date - September 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>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	652,467,290	37.2	895,468,323	57.7	567,875,098
Less: Plant Use	<u>66,624,382</u>	37.4	<u>91,551,564</u>	30.2	<u>70,311,185</u>
Net Generation/Wholesale Sales	<u>585,842,908</u>	37.2	<u>803,916,759</u>	61.6	<u>497,563,913</u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	40.23	49.7	60.23	71.4	35.15
Unit 8/8A	37.84	23.6	46.77	31.5	35.56
Unit 7	29.63	(39.3)	18.00	44.0	12.50
Total Plant	38.73	37.3	53.19	61.9	32.86
<b><u>KWH Distribution</u></b>					
Residential	83,990,490	(2.2)	82,166,483	(2.0)	83,865,313
Commercial I	30,033,930	0.7	30,242,196	1.4	29,816,801
Commercial II	80,129,885	(5.4)	75,830,111	(1.2)	76,722,833
Industrial I	71,135,909	31.3	93,428,280	4.8	89,183,440
Industrial II	337,984,395	(2.9)	328,106,448	(2.1)	335,134,303
City Enterprise Funds	4,132,616	(12.1)	3,633,907	16.7	3,114,842
Water & Communications Utilities	<u>12,130,078</u>	(2.0)	<u>11,889,811</u>	5.6	<u>11,254,887</u>
Native System Sales	619,537,303	0.9	625,297,236	(0.6)	629,092,419
City Lighting	1,541,568	(1.5)	1,518,040	0.4	1,511,561
City Buildings	4,855,707	10.7	5,374,688	7.8	4,986,917
Offline Power Plant Usage	1,479,690	54.3	2,282,921	(47.9)	4,381,546
Losses & Cycle Billing	<u>19,566,277</u>	(8.8)	<u>17,845,604</u>	14.2	<u>15,627,797</u>
Total Native System KWH Distributed/Purchased Power	<u>646,980,545</u>	0.8	<u>652,318,489</u>	(0.5)	<u>655,600,240</u>
 <b><u>STEAM SALES - 1000 lbs</u></b>	 <u>2,009,034</u>	 (2.3)	 <u>1,963,178</u>	 (1.4)	 <u>1,990,932</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Current Month - September 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>
<b><u>Sales of Electricity</u></b>						
Residential	\$875,743	0.08829	\$1,034,867	0.09368	\$833,648	0.09084
Commercial I	303,036	0.08471	334,866	0.08711	277,491	0.08179
Commercial II	574,319	0.06204	601,647	0.06545	515,450	0.05940
Industrial I	580,798	0.05843	595,810	0.05654	538,892	0.05440
Industrial II	1,844,665	0.04912	1,751,127	0.04753	1,726,411	0.04704
City Enterprise Funds	25,042	0.06030	23,406	0.06886	16,652	0.06881
Water & Communication Utilities	68,374	0.05094	74,819	0.05625	64,038	0.05210
Native System Sales	4,271,977	0.05933	4,416,542	0.06039	3,972,582	0.05730
Wholesale Sales	981,320	0.02450	2,020,689	0.03361	1,239,026	0.02447
Energy Sales	5,253,297		6,437,231		5,211,608	
<b><u>Steam Sales</u></b>	904,566	3.68	837,797	3.63	637,589	3.57
<b><u>Other Revenue</u></b>						
Rail Car Lease	---		19,790		57,525	
By-Product Revenue	9,517		31,134		36,108	
Miscellaneous Revenue	44,942		51,546		37,987	
Total Other Revenue	54,459		102,470		131,620	
Operating Revenue	6,212,322		7,377,498		5,980,817	
<b><u>Operating Expense</u></b>						
Purchased Power	1,598,319	0.02200	2,058,025	0.02810	1,322,491	0.01905
Production Fuel	1,435,414		1,798,749		1,446,833	
Emissions Allowance	6,172		44,072		3,439	
Operation	1,883,122		1,735,081		1,713,510	
Maintenance	1,958,227		1,303,369		758,129	
Depreciation	944,953		937,001		929,362	
Total Operating Expense	7,826,207		7,876,297		6,173,764	
Operating Loss	(1,613,885)		(498,799)		(192,947)	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	112,055		109,762		104,324	
Interest Expense	(450)		(196)		(148)	
Total Nonoperating Revenue (Expense)	111,605		109,566		104,176	
Net Loss Before Revenue Adjustment	(1,502,280)		(389,233)		(88,771)	
Capital Contributions	---		---		---	
Change in Net Position	(1,502,280)		(389,233)		(88,771)	
Beginning Net Position	161,066,032		163,915,830		164,905,671	
Ending Net Position	\$159,563,752		\$163,526,597		\$164,816,900	
Net Loss Before Rev Adj to Op Revenue	(24.2)		(5.3)		(1.5)	
Change in Net Position to Operating Revenue	(24.2)		(5.3)		(1.5)	

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Calendar Year-to-Date - September 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>
<b><u>Sales of Electricity</u></b>						
Residential	\$7,219,529	0.08596	\$7,551,507	0.09190	\$7,073,921	0.08435
Commercial I	2,470,760	0.08227	2,509,134	0.08297	2,392,885	0.08025
Commercial II	4,888,400	0.06101	4,669,230	0.06157	4,569,377	0.05956
Industrial I	4,965,995	0.06981	4,989,411	0.05340	4,618,861	0.05179
Industrial II	16,050,938	0.04749	15,537,225	0.04735	15,270,032	0.04556
City Enterprise Funds	240,159	0.05811	223,031	0.06137	190,564	0.06118
Water & Communications Utilities	606,914	0.05003	618,911	0.05205	559,420	0.04970
Native System Sales	36,442,695	0.05882	36,098,449	0.05773	34,675,060	0.05512
Wholesale Sales	17,911,364	0.03057	25,240,321	0.03140	14,356,523	0.02885
Energy Sales	54,354,059		61,338,770		49,031,583	
<b><u>Steam Sales</u></b>	7,399,342	3.68	7,189,299	3.66	7,213,149	3.62
<b><u>Other Revenue</u></b>						
Rail Car Lease	218,000		192,365		596,945	
By-Product Revenue	305,633		166,456		469,935	
Miscellaneous Revenue	435,409		462,799		461,678	
Total Other Revenue	959,042		821,620		1,528,558	
Operating Revenue	62,712,443		69,349,689		57,773,290	
<b><u>Operating Expense</u></b>						
Purchased Power	16,708,241	0.02582	18,024,314	0.02763	14,456,125	0.02205
Production Fuel	16,589,923		20,673,612		14,770,539	
Emissions Allowance	51,904		102,833		55,930	
Operation	17,055,887		15,883,089		15,852,973	
Maintenance	9,087,899		7,590,574		6,787,243	
Depreciation	8,504,584		8,433,009		8,364,258	
Total Operating Expense	67,998,438		70,707,431		60,287,068	
Operating Loss	(5,285,995)		(1,357,742)		(2,513,778)	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	999,847		970,092		942,639	
Interest Expense	(4,050)		(1,338)		(1,165)	
Total Nonoperating Revenue (Expense)	995,797		968,754		941,474	
Net Loss Before Revenue Adjustment and Capital Contributions	(4,290,198)		(388,988)		(1,572,304)	
Capital Contributions	---		61,635		11,943	
Revenue Adjustment-Extraordinary O&M	---		---		4,000,000	
Change in Net Position	(4,290,198)		(327,353)		2,439,639	
Beginning Net Position	163,853,950		163,853,950		162,377,261	
Ending Net Position	\$159,563,752		\$163,526,597		\$164,816,900	
Net Loss Before Rev Adj to Op Revenue	(6.8)		(0.6)		(2.7)	
Change in Net Position to Operating Revenue	(6.8)		(0.5)		4.2	

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

**ASSETS**

	<u>2013</u>	<u>2012</u>
<b>Current Assets:</b>		
<u>Restricted</u>		
Cash - interest bearing	\$1,031,242	\$6,032,610
Investments	5,001,640	---
Total Restricted Current Assets	<u>6,032,882</u>	<u>6,032,610</u>
<u>Unrestricted</u>		
Cash - interest bearing	8,700,302	9,676,046
Investments	16,000,000	---
Receivables:		
Consumer Accounts	5,617,221	5,470,385
Wholesale	435,979	---
Steam Sales	883,235	905,097
Interest	332,227	311,820
Intercompanies	---	19,902
Inventories	6,283,788	6,662,024
Fuel	4,821,022	14,052,016
Prepaid Expenses	813,438	707,684
Total Unrestricted Current Assets	<u>43,887,212</u>	<u>37,804,974</u>
Total Current Assets	<u>49,920,094</u>	<u>43,837,584</u>
<b>Property and Equipment:</b>		
At Cost	412,444,427	409,556,254
Less Accumulated Depreciation	319,637,040	309,544,446
Net Property and Equipment	<u>92,807,387</u>	<u>100,011,808</u>
<b>Other Assets:</b>		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	400,000	---
Joint Venture Rights	97,991	109,262
Total Other Assets	<u>35,824,991</u>	<u>35,436,262</u>
<b>TOTAL ASSETS</b>	<u><u>\$178,552,472</u></u>	<u><u>\$179,285,654</u></u>

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

**LIABILITIES AND NET ASSETS**

	<u>2013</u>	<u>2012</u>
<b>Current Liabilities:</b>		
<b><u>Unrestricted</u></b>		
Accounts Payable	\$2,821,145	\$2,045,548
Pension Provision	374,973	926,169
Health & Dental Insurance Provision	173,826	196,533
Accrued Payroll	833,384	584,715
Accrued Vacation	1,129,620	1,053,632
Accrued Emission Allowance Expense	102,833	337,737
Consumers' Deposits	580,459	584,851
Retained Percentage on Contracts	35,917	10,000
Accrued Property Taxes	81,170	82,189
Miscellaneous Accrued Expenses	741,857	582,895
Miscellaneous Deferred Credits	4,548	13,850
	<u>6,879,732</u>	<u>6,418,119</u>
Total Unrestricted Current Liabilities		
	<u>6,879,732</u>	<u>6,418,119</u>
<b>Non-Current Liabilities:</b>		
Health & Dental Insurance Provision	1,681,693	1,679,993
Post-Employment Health Benefit Provision	251,214	157,406
Consumer Advances for Construction	180,370	180,370
	<u>2,113,277</u>	<u>2,017,769</u>
Total Non-Current Liabilities		
	<u>2,113,277</u>	<u>2,017,769</u>
<b>Deferred Revenue - Extraordinary O &amp; M</b>	<u>6,032,866</u>	<u>6,032,866</u>
<b>Net Position:</b>		
Net Investment in Capital Assets	92,807,387	100,011,808
Restricted	6,032,882	6,032,610
Unrestricted	64,686,328	58,772,482
	<u>163,526,597</u>	<u>164,816,900</u>
Total Net Position		
	<u>163,526,597</u>	<u>164,816,900</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$178,552,472</u></u>	<u><u>\$179,285,654</u></u>



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

	<u><b>Current Month</b></u>	<u><b>Year- To-Date</b></u>
<b>Cash flows from operating activities:</b>		
Cash received from:		
Retail electric sales	\$4,181,999	\$35,242,438
MISO sales	4,216,230	25,504,782
Steam sales	761,152	7,185,692
Coal & transportation allowances	---	3,925
Railcar leasing	---	249,469
By-product sales	---	90,703
Miscellaneous sources	78,304	463,730
Cash paid to/for:		
Suppliers	(1,199,191)	(6,659,471)
MISO purchases/administration fees	(2,810,553)	(18,543,511)
Coal	(1,241,456)	(11,350,536)
Employees payroll, taxes and benefits	(1,537,222)	(15,943,547)
Net cash flows from operating activities	<u>2,449,263</u>	<u>16,243,674</u>
<b>Cash flows from capital and related financing activities:</b>		
Capital expenditures, net	<u>(382,215)</u>	<u>(3,281,498)</u>
Net cash flows from capital and related financing activities	<u>(382,215)</u>	<u>(3,281,498)</u>
<b>Cash flows from investing activities:</b>		
Purchase of joint venture rights	---	(65,515)
Interest received on investments and note receivable	469	861,551
Accrued interest purchased	---	(1,540)
Amortization/accretion of investments	(8)	919
Mark to Market	848	619
Net cash flows from investing activities	<u>1,309</u>	<u>796,034</u>
Net increase in cash and investments	<u>2,068,357</u>	<u>13,758,210</u>
Cash and investments at beginning of period	<u>28,664,827</u>	<u>16,974,974</u>
Cash and investments at end of period	<u><u>\$30,733,184</u></u>	<u><u>\$30,733,184</u></u>

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

	<u><b>Current Month</b></u>	<u><b>Year- To-Date</b></u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$498,799)	(\$1,357,742)
Noncash items in operating income:		
Depreciation of electric utility plant	937,001	8,433,009
Amortization of joint venture rights	7,677	78,082
Changes in assets and liabilities:		
Consumer accounts receivable	(240,598)	(846,611)
Wholesale receivable	390,514	(341,400)
Steam sales receivable	(76,936)	51,296
Intercompany receivable	---	17,211
Inventories	110,260	282,526
Fuel	829,035	7,967,138
Prepaid expenses	71,664	(336,891)
Accounts payable	484,818	1,324,543
Pension provision	136,701	374,973
Health & dental insurance provision	29,206	31,958
Other post-employment benefit provision	23,506	82,450
Accrued payroll	214,989	441,598
Accrued vacation	2,104	17,776
Accrued emission allowance expense	44,071	36,808
Consumers' deposits	(3,067)	5,543
Retained percentage	(8,100)	35,917
Accrued property taxes	(39,569)	(25,149)
Miscellaneous accrued expenses	34,786	(20,059)
Miscellaneous deferred credits	---	(9,302)
Net cash flows from operating activities	<u><u>\$2,449,263</u></u>	<u><u>\$16,243,674</u></u>

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

	<u><b>This Year</b></u>	<u><b>Last Year</b></u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,882</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$6,032,882</u></u>	<u><u>\$6,032,610</u></u>

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Purchased Power</u></b>	<u>\$1,598,319</u>	25.7	<u>\$2,058,025</u>	27.9	<u>\$1,322,491</u>	22.1
Average price per kWh	\$0.0220		\$0.0281		\$0.0191	
<b><u>Generation</u></b>						
Operation Supervision	85,761		82,347		71,374	
Fuel:						
Coal	1,315,834		1,722,872		1,364,036	
Fuel Oil	25,499		3,073		10,071	
Gas	20,000		19,022		12,876	
Coal Handling Expense	57,968		49,479		56,630	
Landfill Operation Expense	16,113		4,303		3,220	
Emissions Allowance Expense	6,172		44,072		3,439	
Steam Expense:						
Boiler	110,203		86,471		85,123	
Pollution Control	53,368		30,217		29,497	
Electric Expense	97,374		88,912		87,569	
Miscellaneous Steam Power Expense	162,031		246,374		137,190	
Maintenance:						
Supervision	96,888		84,920		70,567	
Structures	77,999		57,359		42,161	
Boiler Plant:						
Boiler	1,051,457		547,455		184,089	
Pollution Control	66,253		142,031		37,631	
Electric Plant	268,589		154,165		52,219	
System Control	20,437		17,456		16,000	
Miscellaneous Steam Plant	85,355		92,448		60,300	
Coal Handling Equipment	92,052		73,094		144,070	
System Control and Load Dispatch	24,366		30,411		18,523	
Vacation, Holiday, Sick Leave	101,310		100,344		101,396	
Depreciation	<u>624,688</u>		<u>622,373</u>		<u>622,359</u>	
Total Generation Expense	<u>\$4,459,717</u>	71.8	<u>\$4,299,198</u>	58.3	<u>\$3,210,340</u>	53.7

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

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	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Purchased Power</u></b>	<u>\$16,708,241</u>	26.6	<u>\$18,024,314</u>	26.0	<u>\$14,456,125</u>	25.0
Average price per kWh	\$0.0258		\$0.0276		\$0.0221	
<b><u>Generation</u></b>						
Operation Supervision	702,041		709,264		674,892	
Fuel:						
Coal	15,579,275		19,858,117		13,942,341	
Fuel Oil	167,111		84,554		131,681	
Gas	155,000		108,870		110,449	
Coal Handling Expense	616,705		578,962		540,540	
Landfill Operation Expense	71,832		43,109		45,528	
Emissions Allowance Expense	51,904		102,833		55,930	
Steam Expense:						
Boiler	1,033,436		874,300		879,550	
Pollution Control	466,861		348,891		325,053	
Electric Expense	877,681		828,969		851,065	
Miscellaneous Steam Power Expense	1,627,378		1,519,816		1,486,395	
Maintenance:						
Supervision	728,369		726,662		703,726	
Structures	640,803		518,539		464,815	
Boiler Plant:						
Boiler	2,759,012		1,966,461		1,716,817	
Pollution Control	449,508		575,017		665,711	
Electric Plant	951,536		692,467		340,652	
System Control	197,108		157,812		141,218	
Miscellaneous Steam Plant	681,068		639,307		557,532	
Coal Handling Equipment	956,533		649,471		787,609	
System Control and Load Dispatch	218,463		242,647		274,891	
Vacation, Holiday, Sick Leave	783,751		838,793		842,904	
Depreciation	<u>5,622,192</u>		<u>5,601,357</u>		<u>5,601,231</u>	
<b>Total Generation Expense</b>	<u>\$35,337,567</u>	56.3	<u>\$37,666,218</u>	54.3	<u>\$31,140,530</u>	53.9

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision	\$3,747		\$4,188		\$3,150	
Load Dispatching	43,715		48,471		57,172	
Station Expense	7,115		9,782		4,195	
Overhead Line Expense	---		---		195	
Transmission of Electricity by Others	10,934		12,555		2,559	
Miscellaneous Transmission Expense	10,282		1,872		4,585	
Maintenance:						
Supervision	1,885		1,918		1,600	
Structures	969		---		---	
Station Equipment	6,575		6,575		3,678	
Overhead Lines	10,057		4,296		853	
Vacation, Holiday, Sick Leave	7,378		9,990		5,612	
Depreciation	30,745		30,625		30,625	
Tax on Rural Property	5,682		5,802		5,652	
<b>Total Transmission Expense</b>	<b>139,084</b>	<b>2.2</b>	<b>136,074</b>	<b>1.8</b>	<b>119,876</b>	<b>2.0</b>
<b><u>Distribution</u></b>						
Operation Supervision	10,559		11,286		9,628	
Load Dispatching	35,709		32,135		25,372	
Station Expense	7,928		8,475		5,240	
Overhead Line Expense	2,951		270		5,961	
Vehicle Expense	15,663		17,140		8,909	
Underground Line Expense	3,177		2,682		2,921	
Street Lighting	1,767		1,661		1,917	
Signal Expense	576		86		219	
Meter Expense	7,155		5,171		9,840	
Consumer Installation Expense	593		923		912	
Miscellaneous Distribution Expense	54,016		45,962		50,290	
Maintenance:						
Supervision	9,646		10,129		8,805	
Structures	812		---		---	
Station Equipment	9,316		7,796		7,717	
Overhead Lines	74,944		28,890		38,107	
Underground Lines	9,342		14,718		23,746	
Line Transformers	2,996		1,746		4,121	
Street Lighting	5,394		(1,097)		1,368	
Signal System	4,763		(849)		3,543	
Meters	1,817		2,864		(4,425)	
Miscellaneous Distribution Plant	2,278		2,724		1,240	
Vacation, Holiday, Sick Leave	32,495		35,364		30,693	
Depreciation	156,137		155,502		152,158	
Tax on Rural Property	1,697		1,725		1,681	
<b>Total Distribution Expense</b>	<b>\$451,731</b>	<b>7.3</b>	<b>\$385,303</b>	<b>5.2</b>	<b>\$389,963</b>	<b>6.5</b>

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision	\$33,142		\$36,022		\$33,015	
Load Dispatching	408,401		472,875		432,519	
Station Expense	73,227		64,833		64,620	
Overhead Line Expense	641		2,639		2,617	
Transmission of Electricity by Others	98,398		118,152		24,056	
Miscellaneous Transmission Expense	96,447		49,614		55,422	
Maintenance:						
Supervision	16,771		16,994		14,778	
Structures	10,451		---		---	
Station Equipment	71,717		53,287		36,768	
Overhead Lines	92,716		101,802		98,487	
Vacation, Holiday, Sick Leave	56,098		62,247		44,345	
Depreciation	276,703		275,625		275,625	
Tax on Rural Property	51,138		51,630		50,057	
Total Transmission Expense	<u>1,285,850</u>	2.1	<u>1,305,720</u>	1.9	<u>1,132,309</u>	2.0
<b><u>Distribution</u></b>						
Operation Supervision	93,684		101,082		87,824	
Load Dispatching	317,975		256,121		256,770	
Station Expense	66,760		55,828		62,273	
Overhead Line Expense	43,633		16,019		18,021	
Vehicle Expense	140,812		155,051		121,943	
Underground Line Expense	29,892		26,021		27,384	
Street Lighting	15,530		19,436		24,218	
Signal Expense	8,645		1,544		2,285	
Meter Expense	69,932		75,678		84,625	
Consumer Installation Expense	5,524		5,749		12,578	
Miscellaneous Distribution Expense	467,359		451,447		477,737	
Maintenance:						
Supervision	85,524		91,349		78,758	
Structures	9,601		---		---	
Station Equipment	84,240		101,870		60,489	
Overhead Lines	477,344		542,444		434,402	
Underground Lines	81,124		66,458		72,122	
Line Transformers	46,435		50,966		51,630	
Street Lighting	46,795		55,912		26,503	
Signal System	25,282		20,120		35,749	
Meters	22,827		21,006		3,693	
Miscellaneous Distribution Plant	20,502		21,825		18,443	
Vacation, Holiday, Sick Leave	245,971		258,511		226,677	
Depreciation	1,405,237		1,399,518		1,369,422	
Tax on Rural Property	15,273		15,411		14,957	
Total Distribution Expense	<u>\$3,825,901</u>	6.1	<u>\$3,809,366</u>	5.5	<u>\$3,568,503</u>	6.2

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense	\$11,428		\$9,620		\$6,740	
Energy Efficiency Rebates	19,891		8,888		5,191	
Electric Ranges/Dryers Maintenance	550		381		609	
Electric Water Heaters Maintenance	179		82		28	
Total Customer Service Expense	<u>32,048</u>	0.5	<u>18,971</u>	0.3	<u>12,568</u>	0.2
<b><u>Consumer Accounts</u></b>						
Supervision	2,758		3,153		1,996	
Meter Reading Expense	8,446		6,478		7,360	
Consumer Records and Collection	31,372		33,539		31,630	
Uncollectible Accounts Expense	3,297		3,297		2,403	
Vacation, Holiday, Sick Leave	4,978		4,649		4,533	
Total Consumer Accounts Expense	<u>50,851</u>	0.8	<u>51,116</u>	0.7	<u>47,922</u>	0.8
<b><u>Administrative and General</u></b>						
Administrative and General Salaries	167,918		147,646		160,214	
Office Supplies and Expenses	21,911		18,557		13,015	
Outside Services Employed	53,409		(2,830)		129,591	
Property Insurance	55,708		55,169		46,620	
Casualty Ins, Injuries & Damages	36,613		30,829		22,914	
Employee Pensions and Benefits	521,805		462,938		473,181	
Fringe Benefits Charged to Constr.	(28,429)		(27,879)		(25,389)	
Regulatory Commission	8,567		7,846		4,400	
Miscellaneous General Expense	34,378		24,751		33,751	
Maintenance of General Plant	28,096		24,088		22,771	
Maintenance of A/O Center	30,307		30,643		37,968	
Vacation, Holiday, Sick Leave	30,791		27,351		27,348	
Depreciation	133,383		128,501		124,220	
Total Administrative and General	<u>1,094,457</u>	17.6	<u>927,610</u>	12.6	<u>1,070,604</u>	17.9
Total Operating Expense	<u>\$7,826,207</u>		<u>\$7,876,297</u>		<u>\$6,173,764</u>	
Percent to Operating Revenue		126.0		106.8		103.2



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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense	\$133,840		\$67,416		\$87,254	
Energy Efficiency Rebates	184,028		105,654		139,844	
Electric Ranges/Dryers Maintenance	4,437		4,763		4,153	
Electric Water Heaters Maintenance	<u>1,514</u>		<u>730</u>		<u>760</u>	
Total Customer Service Expense	<u>\$323,819</u>	0.5	<u>\$178,563</u>	0.3	<u>\$232,011</u>	0.4
<b><u>Consumer Accounts</u></b>						
Supervision	24,274		27,643		19,002	
Meter Reading Expense	75,360		76,896		77,275	
Consumer Records and Collection	284,915		302,177		265,331	
Uncollectible Accounts Expense	29,669		29,673		21,623	
Vacation, Holiday, Sick Leave	<u>37,575</u>		<u>39,700</u>		<u>40,303</u>	
Total Consumer Accounts Expense	<u>451,793</u>	0.7	<u>476,089</u>	0.7	<u>423,534</u>	0.7
<b><u>Administrative and General</u></b>						
Administrative and General Salaries	1,459,617		1,567,752		1,453,667	
Office Supplies and Expenses	196,488		138,542		146,055	
Outside Services Employed	644,826		352,060		553,885	
Property Insurance	473,383		470,875		396,148	
Casualty Ins, Injuries & Damages	329,521		263,876		397,038	
Employee Pensions and Benefits	4,704,984		4,383,869		4,408,965	
Fringe Benefits Charged to Constr.	(222,375)		(178,158)		(179,222)	
Regulatory Commission	77,100		46,577		49,571	
Miscellaneous General Expense	340,334		278,709		282,927	
Maintenance of General Plant	272,365		225,219		204,691	
Maintenance of A/O Center	360,268		295,586		272,650	
Vacation, Holiday, Sick Leave	228,304		245,745		229,701	
Depreciation	<u>1,200,452</u>		<u>1,156,509</u>		<u>1,117,980</u>	
Total Administrative and General	<u>10,065,267</u>	16.0	<u>9,247,161</u>	13.3	<u>9,334,056</u>	16.2
Total Operating Expense	<u>\$67,998,438</u>		<u>\$70,707,431</u>		<u>\$60,287,068</u>	
Percent to Operating Revenue		108.4		102.0		104.4

**Muscatine Power and Water - Electric Utility**  
**Statistical Data**  
**September 2013**

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

	<b><u>Current Month</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
Per Million Btu.	\$1.864	\$1.837
Per Net MW Generated	\$21.59	\$21.19
Net Peak Monthly Demand-KW	138,170	129,970
Date of Peak	9/9	9/4
Hour of Peak	1700	1500

	<b><u>Calendar Year-To-Date</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
Per Million Btu.	\$1.823	\$1.858
Per Net MW Generated	\$20.41	\$20.97
Net Peak Monthly Demand-KW	138,170	138,450
Date of Peak	9/9	7/5
Hour of Peak	1700	1500

Average Temperature	66.8°	61.8°
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<b><u>Services</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
Residential	9,707	9,726
Commercial I	1,370	1,387
Commercial II	114	113
Industrial I	10	11
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
Total	<u>11,258</u>	<u>11,294</u>

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

	<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>40,053,888</u></b>		<b><u>60,126,592</u></b>		<b><u>50,626,113</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$981,320</u></b>	<b><u>\$0.02450</u></b>	<b><u>\$2,020,689</u></b>	<b><u>\$0.03361</u></b>	<b><u>\$1,239,026</u></b>	<b><u>\$0.02447</u></b>
<b><u>Variable Costs</u></b>						
Fuel (Coal, Gas & Fuel Oil)	783,236	0.01955	1,227,139	0.02041	1,001,151	0.01978
Emissions:						
SO <sup>2</sup> Allowances <sup>fn1</sup>	171	0.00000	50	0.00000	19	0.00000
NO <sub>x</sub> Allowances <sup>fn2</sup>	4,485	0.00011	5,024	0.00008	3,322	0.00007
Other <sup>fn3</sup>	<u>191,059</u>	<u>0.00477</u>	<u>187,258</u>	<u>0.00311</u>	<u>192,761</u>	<u>0.00381</u>
<b>Total Variable Costs</b>	<b><u>978,951</u></b>	<b><u>0.02444</u></b>	<b><u>1,419,471</u></b>	<b><u>0.02361</u></b>	<b><u>1,197,253</u></b>	<b><u>0.02365</u></b>
<b>Gross Margin</b>	<b><u>\$2,369</u></b>	<b><u>\$0.00006</u></b>	<b><u>\$601,218</u></b>	<b><u>\$0.01000</u></b>	<b><u>\$41,773</u></b>	<b><u>\$0.00083</u></b>
<b>Percent Gross Margin</b>	<b>0.2%</b>		<b>29.8%</b>		<b>3.4%</b>	

**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>585,842,908</u></b>		<b><u>803,916,759</u></b>		<b><u>497,563,913</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$17,911,364</u></b>	<b><u>\$0.03057</u></b>	<b><u>\$25,240,321</u></b>	<b><u>\$0.03140</u></b>	<b><u>\$14,356,523</u></b>	<b><u>\$0.02885</u></b>
<b><u>Variable Costs</u></b>						
Fuel (Coal, Gas & Fuel Oil)	11,350,878	0.01938	15,638,920	0.01945	9,743,866	0.01958
Emissions: <sup>fn1</sup>						
SO <sup>2</sup> Allowances <sup>fn2</sup>	1,607	0.00000	387	0.00000	566	0.00000
NO <sub>x</sub> Allowances <sup>fn3</sup>	34,402	0.00006	59,244	0.00007	34,348	0.00007
Other <sup>fn4</sup>	<u>1,719,531</u>	<u>0.00294</u>	<u>1,704,327</u>	<u>0.00212</u>	<u>1,738,764</u>	<u>0.00349</u>
<b>Total Variable Costs</b>	<b><u>13,106,418</u></b>	<b><u>0.02237</u></b>	<b><u>17,402,878</u></b>	<b><u>0.02165</u></b>	<b><u>11,517,544</u></b>	<b><u>0.02315</u></b>
<b>Gross Margin</b>	<b><u>\$4,804,946</u></b>	<b><u>\$0.00820</u></b>	<b><u>\$7,837,443</u></b>	<b><u>\$0.00975</u></b>	<b><u>\$2,838,979</u></b>	<b><u>\$0.00571</u></b>
<b>Percent Gross Margin</b>	<b>26.8%</b>		<b>31.1%</b>		<b>19.8%</b>	

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

	<u>Budget</u>	<u>2013</u>	<u>2012</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	1.49
<b>fn2</b> NO <sub>x</sub> annual	42.50	45.00	37.50
NO <sub>x</sub> seasonal	10.00	21.50	15.00
<b>fn3</b> YTD NO <sub>x</sub> annual	42.50	42.41	41.33
YTD NO <sub>x</sub> seasonal	10.00	15.77	8.96

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