

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

	<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	45,480,096	47.8	67,229,983	16.1	57,925,164
Less: Plant Use	5,426,208	30.9	7,103,391	(2.7)	7,299,051
Net Generation/Wholesale Sales	<u>40,053,888</u>	50.1	<u>60,126,592</u>	18.8	<u>50,626,113</u>
<u>Net Capacity Factors</u>					
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
<u>KWH Distribution</u>					
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>72,650,884</u>	0.8	<u>73,236,592</u>	5.5	<u>69,406,113</u>
<u>STEAM SALES - 1000 lbs</u>	<u>245,890</u>	(6.2)	<u>230,621</u>	29.1	<u>178,700</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - September 2013

	Budget Estimate	% Increase (Decrease) From Budget	This Year	% Increase (Decrease) Fr. Last Yr.	Last Year
<u>KWH Generated and Sold</u>					
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>
<u>Net Capacity Factors</u>					
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
<u>KWH Distribution</u>					
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>	<u>0.8</u>	<u>652,318,489</u>	<u>(0.5)</u>	<u>655,600,240</u>
<u>STEAM SALES - 1000 lbs</u>	<u>2,009,034</u>	<u>(2.3)</u>	<u>1,963,178</u>	<u>(1.4)</u>	<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>
<u>Sales of Electricity</u>						
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	
<u>Steam Sales</u>	904,566	3.68	837,797	3.63	637,589	3.57
<u>Other Revenue</u>						
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	
<u>Operating Expense</u>						
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)	
<u>Nonoperating Revenue (Expense)</u>						
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>
<u>Sales of Electricity</u>						
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	
Steam Sales	7,399,342	3.68	7,189,299	3.66	7,213,149	3.62
<u>Other Revenue</u>						
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	
<u>Operating Expense</u>						
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)	
<u>Nonoperating Revenue (Expense)</u>						
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>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$1,031,242	\$6,032,610
Investments	<u>5,001,640</u>	---
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	<u>813,438</u>	<u>707,684</u>
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>
Property and Equipment:		
At Cost	412,444,427	409,556,254
Less Accumulated Depreciation	<u>319,637,040</u>	<u>309,544,446</u>
Net Property and Equipment	<u>92,807,387</u>	<u>100,011,808</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	400,000	---
Joint Venture Rights	<u>97,991</u>	<u>109,262</u>
Total Other Assets	<u>35,824,991</u>	<u>35,436,262</u>
TOTAL ASSETS	<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>
Current Liabilities:		
<u>Unrestricted</u>		
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	<u>4,548</u>	<u>13,850</u>
Total Unrestricted Current Liabilities	<u>6,879,732</u>	<u>6,418,119</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,681,693	1,679,993
Post-Employment Health Benefit Provision	251,214	157,406
Consumer Advances for Construction	<u>180,370</u>	<u>180,370</u>
Total Non-Current Liabilities	<u>2,113,277</u>	<u>2,017,769</u>
Deferred Revenue - Extraordinary O & M	<u>6,032,866</u>	<u>6,032,866</u>
Net Position:		
Net Investment in Capital Assets	92,807,387	100,011,808
Restricted	6,032,882	6,032,610
Unrestricted	<u>64,686,328</u>	<u>58,772,482</u>
Total Net Position	<u>163,526,597</u>	<u>164,816,900</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$178,552,472</u>	<u>\$179,285,654</u>

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

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Cash flows from operating activities:		
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	<u>(1,537,222)</u>	<u>(15,943,547)</u>
Net cash flows from operating activities	<u>2,449,263</u>	<u>16,243,674</u>
Cash flows from capital and related financing activities:		
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>
Cash flows from investing activities:		
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	<u>848</u>	<u>619</u>
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>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</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>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$6,032,882</u>	<u>\$6,032,610</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$6,032,882</u>	<u>\$6,032,610</u>

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>
Purchased Power	\$1,598,319	25.7	\$1,322,491
Average price per kWh	\$0.0220	\$0.0281	\$0.0191
Generation			
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>	<u>71.8</u>	<u>\$3,210,340</u>
		58.3	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>This Year</u>		<u>Last Year</u>	
	<u>Estimate</u>		<u> </u>		<u> </u>	
Purchased Power	\$16,708,241	26.6	\$18,024,314	26.0	\$14,456,125	25.0
Average price per kWh	\$0.0258		\$0.0276		\$0.0221	
Generation						
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>	
Total Generation Expense	<u>\$35,337,567</u>	<u>56.3</u>	<u>\$37,666,218</u>	<u>54.3</u>	<u>\$31,140,530</u>	<u>53.9</u>

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>
<u>Transmission</u>			
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	<u>5,682</u>	<u>5,802</u>	<u>5,652</u>
Total Transmission Expense	<u>139,084</u>	<u>136,074</u>	<u>119,876</u>
	2.2	1.8	2.0
<u>Distribution</u>			
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	<u>1,697</u>	<u>1,725</u>	<u>1,681</u>
Total Distribution Expense	<u>\$451,731</u>	<u>7.3</u>	<u>5.2</u>
		<u>\$385,303</u>	<u>6.5</u>

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>
<u>Transmission</u>			
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	<u>51,138</u>	<u>51,630</u>	<u>50,057</u>
Total Transmission Expense	<u>1,285,850</u>	2.1	<u>1,132,309</u>
		1.9	2.0
<u>Distribution</u>			
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	<u>15,273</u>	<u>15,411</u>	<u>14,957</u>
Total Distribution Expense	<u>\$3,825,901</u>	6.1	<u>\$3,568,503</u>
		5.5	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>
<u>Customer Service Expense</u>			
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	 32,048	 0.5	 12,568
	 32,048	 0.5	 0.2
<u>Consumer Accounts</u>			
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	 50,851	 0.8	 47,922
	 50,851	 0.8	 0.8
<u>Administrative and General</u>			
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	 1,094,457	 17.6	 1,070,604
	 1,094,457	 17.6	 17.9
 Total Operating Expense	 \$7,826,207	 \$7,876,297	 \$6,173,764
 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>
<u>Customer Service Expense</u>					
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	1,514		730		760
 Total Customer Service Expense	 \$323,819	 0.5	 \$178,563	 0.3	 \$232,011
 <u>Consumer Accounts</u>					
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	37,575		39,700		40,303
 Total Consumer Accounts Expense	 451,793	 0.7	 476,089	 0.7	 423,534
 <u>Administrative and General</u>					
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	1,200,452		1,156,509		1,117,980
 Total Administrative and General	 10,065,267	 16.0	 9,247,161	 13.3	 9,334,056
 Total Operating Expense	 \$67,998,438		 \$70,707,431		 \$60,287,068
 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)

	<u>Current Month</u>	
	<u>2013</u>	<u>2012</u>
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
	<u>Calendar Year-To-Date</u>	
	<u>2013</u>	<u>2012</u>
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°
<u>Services</u>	<u>2013</u>	<u>2012</u>
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
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Total	<hr style="border-top: 1px solid black;"/> <hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/> <hr style="border-top: 1px solid black;"/>

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

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

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

	<u>Budget</u>	<u>2013</u>	<u>2012</u>
fn1 SO ² (Acid Rain Program)	\$2.00	\$0.75	\$0.75
YTD SO ²	2.00	0.75	1.49
fn2 NO _x annual	42.50	45.00	37.50
NO _x seasonal	10.00	21.50	15.00
fn3 YTD NO _x annual	42.50	42.41	41.33
YTD NO _x 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.