

**Muscatine Power and Water**

**Electric Utility**

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

**June 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 - June 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	78,672,456	37.4	108,115,728	10.0	98,260,611
Less: Plant Use	<u>7,992,648</u>	29.8	<u>10,374,300</u>	0.9	<u>10,280,031</u>
Net Generation/Wholesale Sales	<u>70,679,808</u>	38.3	<u>97,741,428</u>	11.1	<u>87,980,580</u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	47.00	19.7	56.27	(3.2)	58.13
Unit 8/8A	42.04	77.5	74.60	34.0	55.69
Unit 7	11.00	3.5X	49.77	2.6X	13.92
Total Plant	42.52	38.9	59.07	11.5	52.97
<b><u>KWH Distribution</u></b>					
Residential	10,500,000	(15.8)	8,837,020	2.1	8,653,487
Commercial I	3,570,150	(13.6)	3,086,110	(3.0)	3,180,708
Commercial II	9,160,750	0.1	9,165,780	12.7	8,133,071
Industrial I	11,462,090	(1.1)	11,335,320	(3.0)	11,685,460
Industrial II	35,928,600	(4.0)	34,491,193	(3.0)	35,558,690
City Enterprise Funds	470,000	(18.8)	381,607	0.9	378,257
Water & Communications Utilities	<u>1,346,627</u>	1.1	<u>1,361,408</u>	2.4	<u>1,330,120</u>
Native System Sales	72,438,217	(5.2)	68,658,438	(0.4)	68,919,793
City Lighting	181,270	(10.0)	163,083	(10.4)	182,059
City Buildings	625,523	4.3	652,235	(8.9)	716,080
Offline Power Plant Usage	84,486	3.1X	342,668	54.9	221,254
Losses & Cycle Billing	<u>3,695,675</u>	(13.4)	<u>3,202,003</u>	(8.2)	<u>3,487,394</u>
Total Native System KWH Distributed/Purchased Power	<u>77,025,171</u>	(5.2)	<u>73,018,427</u>	(0.7)	<u>73,526,580</u>
 <b><u>STEAM SALES - 1000 lbs</u></b>	 <u>257,308</u>	 (21.5)	 <u>202,094</u>	 (11.8)	 <u>229,179</u>

**Muscatine Power and Water - Electric Utility**  
**Classification of Electric Energy/Steam Sales**  
**Calendar Year-to-Date - June 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	465,775,797	33.5	621,860,112	1.6	612,267,060
Less: Plant Use	<u>48,457,908</u>	28.4	<u>62,214,655</u>	(0.6)	<u>62,607,690</u>
Net Generation/Wholesale Sales	<u>417,317,889</u>	34.1	<u>559,645,457</u>	1.8	<u>549,659,370</u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	46.33	27.3	58.98	(9.4)	65.11
Unit 8/8A	40.49	39.7	56.55	36.8	41.33
Unit 7	9.63	2.7X	35.84	2.3X	11.02
Total Plant	41.61	34.7	56.05	2.2	54.84
<b><u>KWH Distribution</u></b>					
Residential	49,750,000	3.5	51,505,531	4.9	49,114,167
Commercial I	18,620,875	0.3	18,675,736	(1.6)	18,970,926
Commercial II	52,201,425	(3.3)	50,456,044	4.8	48,140,862
Industrial I	57,940,890	(6.6)	54,104,880	(7.6)	58,533,320
Industrial II	226,620,475	(1.4)	223,340,073	0.7	221,776,248
City Enterprise Funds	3,150,000	(18.9)	2,553,588	(0.5)	2,566,087
Water & Communications Utilities	<u>7,991,309</u>	3.2	<u>8,244,611</u>	7.0	<u>7,702,145</u>
Native System Sales	416,274,974	(1.8)	408,880,463	0.5	406,803,755
City Lighting	1,034,463	(5.4)	978,812	(4.0)	1,020,081
City Buildings	3,141,060	16.9	3,671,718	6.3	3,455,000
Offline Power Plant Usage	521,108	2.7X	1,909,261	64.1	1,163,178
Losses & Cycle Billing	<u>14,642,885</u>	(14.1)	<u>12,573,745</u>	(3.7)	<u>13,061,086</u>
Total Native System KWH Distributed/Purchased Power	<u>435,614,490</u>	(1.7)	<u>428,013,999</u>	0.6	<u>425,503,100</u>
 <b><u>STEAM SALES - 1000 lbs</u></b>	 <u>1,536,367</u>	 (8.3)	 <u>1,409,554</u>	 11.6	 <u>1,263,277</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Current Month - June 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	\$981,284	0.09346	\$852,969	0.09652	\$791,556	0.09147
Commercial I	312,877	0.08764	272,848	0.08841	261,218	0.08213
Commercial II	613,380	0.06696	594,476	0.06486	498,764	0.06133
Industrial I	627,547	0.05475	623,462	0.05500	605,871	0.05185
Industrial II	1,719,765	0.04787	1,641,063	0.04758	1,689,552	0.04751
City Enterprise Funds	28,770	0.06121	27,335	0.07163	23,572	0.06232
Water & Communication Utilities	68,150	0.05061	75,386	0.05537	68,443	0.05146
Native System Sales	4,351,773	0.06008	4,087,539	0.05953	3,938,976	0.05715
Wholesale Sales	2,261,754	0.03200	4,025,504	0.04119	2,844,733	0.03233
Energy Sales	6,613,527		8,113,043		6,783,709	
<b><u>Steam Sales</u></b>	976,225	3.79	792,403	3.92	826,367	3.61
<b><u>Other Revenue</u></b>						
Rail Car Lease	---		---		---	
By-Product Revenue	93,102		56,187		23,691	
Miscellaneous Revenue	43,747		46,843		44,781	
Total Other Revenue	136,849		103,030		68,472	
Operating Revenue	7,726,601		9,008,476		7,678,548	
<b><u>Operating Expense</u></b>						
Purchased Power	2,195,217	0.02850	2,689,027	0.03683	2,065,975	0.02810
Production Fuel	2,172,412		2,337,894		2,255,942	
Emissions Allowance	7,526		9,359		8,663	
Operation	2,001,957		1,754,767		1,612,178	
Maintenance	832,093		719,443		861,895	
Depreciation	950,517		945,494		937,001	
Total Operating Expense	8,159,722		8,455,984		7,741,654	
Operating Income (Loss)	(433,121)		552,492		(63,106)	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	114,403		108,315		117,138	
Interest Expense	(133)		(81)		(103)	
Total Nonoperating Revenue (Expense)	114,270		108,234		117,035	
Net Income (Loss) Before Revenue Adjustment	(318,851)		660,726		53,929	
Capital Contributions	6,278		---		28,250	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(312,573)		660,726		82,179	
Beginning Net Position	152,486,134		157,561,439		163,122,523	
Ending Net Position	\$152,173,561		\$158,222,165		\$163,204,702	
Net Loss Before Rev Adj to Op Revenue	(4.1)		7.3		0.7	
Change in Net Position to Operating Revenue	(4.1)		7.3		1.1	

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Calendar Year-to-Date - June 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	\$4,762,347	0.09573	\$4,966,307	0.09642	\$4,508,430	0.09179
Commercial I	1,635,587	0.08784	1,636,924	0.08765	1,547,756	0.08159
Commercial II	3,482,433	0.06671	3,336,528	0.06613	2,923,607	0.06073
Industrial I	3,218,623	0.05555	3,117,184	0.05761	3,111,938	0.05317
Industrial II	10,726,747	0.04733	10,596,364	0.04744	10,479,448	0.04725
City Enterprise Funds	186,852	0.05932	166,008	0.06501	152,872	0.05957
Water & Communications Utilities	403,721	0.05052	459,016	0.05567	394,204	0.05118
Native System Sales	24,416,310	0.05865	24,278,331	0.05938	23,118,255	0.05683
Wholesale Sales	11,818,008	0.02832	25,341,126	0.04528	16,732,636	0.03044
Energy Sales	36,234,318		49,619,457		39,850,891	
<b><u>Steam Sales</u></b>	5,908,580	3.85	5,444,721	3.86	4,652,056	3.68
<b><u>Other Revenue</u></b>						
Rail Car Lease	110,400		68,627		172,575	
By-Product Revenue	233,532		106,590		82,253	
Miscellaneous Revenue	303,192		312,737		311,521	
Total Other Revenue	647,124		487,954		566,349	
Operating Revenue	42,790,022		55,552,132		45,069,296	
<b><u>Operating Expense</u></b>						
Purchased Power	11,350,246	0.02606	15,812,866	0.03694	11,347,916	0.02667
Production Fuel	12,128,054		15,245,954		13,792,114	
Emissions Allowance	40,157		47,872		41,094	
Operation	11,787,223		11,077,146		10,695,822	
Maintenance	5,096,740		4,839,906		4,916,821	
Depreciation	5,703,097		5,672,964		5,622,006	
Total Operating Expense	46,105,517		52,696,708		46,415,773	
Operating Income (Loss)	(3,315,495)		2,855,424		(1,346,477)	
<b><u>Nonoperating Revenue (Expense)</u></b>						
Interest Income	686,131		642,236		642,859	
Interest Expense	(799)		(1,552)		(927)	
Total Nonoperating Revenue (Expense)	685,332		640,684		641,932	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(2,630,163)		3,496,108		(704,545)	
Capital Contributions	77,667		---		55,297	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(2,552,496)		3,496,108		(649,248)	
Beginning Net Position	154,726,057		154,726,057		163,853,950	
Ending Net Position	\$152,173,561		\$158,222,165		\$163,204,702	
Net Loss Before Rev Adj to Op Revenue	(6.2)		6.3		(1.6)	
Change in Net Position to Operating Revenue	(6.0)		6.3		(1.4)	

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

**ASSETS**

	<u>2014</u>	<u>2013</u>
<b>Current Assets:</b>		
<u>Restricted</u>		
Cash - interest bearing	\$2,042,488	\$1,231,242
Investments	11,000,000	4,800,728
	<u>13,042,488</u>	<u>6,031,970</u>
<u>Unrestricted</u>		
Cash - interest bearing	20,370,460	7,249,029
Investments	5,500,000	12,701,847
Receivables:		
Consumer Accounts	4,966,254	4,867,730
Refined Coal	4,166,910	---
Wholesale	1,026,413	633,455
Steam Sales	829,434	851,344
Interest	633,533	630,789
Pension Provision	---	35,129
Inventories	6,022,815	6,530,188
Fuel	2,581,582	6,522,299
Prepaid Expenses	1,283,635	1,097,719
	<u>47,381,037</u>	<u>41,119,529</u>
Total Unrestricted Current Assets	<u>47,381,037</u>	<u>41,119,529</u>
Total Current Assets	<u>60,423,525</u>	<u>47,151,499</u>
<b>Property and Equipment:</b>		
At Cost	413,417,780	411,436,489
Less Accumulated Depreciation	326,597,749	317,067,153
	<u>86,820,031</u>	<u>94,369,336</u>
Net Property and Equipment	<u>86,820,031</u>	<u>94,369,336</u>
<b>Other Assets:</b>		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	1,150,000	400,000
Joint Venture Rights	96,724	96,360
	<u>36,573,724</u>	<u>35,823,360</u>
Total Other Assets	<u>36,573,724</u>	<u>35,823,360</u>
<b>TOTAL ASSETS</b>	<u><u>\$183,817,280</u></u>	<u><u>\$177,344,195</u></u>

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

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

	<u><b>2014</b></u>	<u><b>2013</b></u>
<b>Current Liabilities:</b>		
<u><b>Unrestricted</b></u>		
Accounts Payable	\$6,235,783	\$2,802,769
Pension Provision	1,071,276	---
Health & Dental Insurance Provision	229,100	173,826
Accrued Payroll	357,222	323,778
Accrued Vacation	1,148,059	1,189,346
Accrued Emission Allowance Expense	58,667	41,094
Consumers' Deposits	645,522	586,699
Retained Percentage on Contracts	---	35,917
Accrued Property Taxes	98,668	108,731
Miscellaneous Accrued Expenses	769,821	754,805
	<u>10,614,118</u>	<u>6,016,965</u>
Total Unrestricted Current Liabilities		
<b>Non-Current Liabilities:</b>		
Health & Dental Insurance Provision	1,396,654	1,728,596
Post-Employment Health Benefit Provision	371,107	180,696
Consumer Advances for Construction	180,370	180,370
	<u>1,948,131</u>	<u>2,089,662</u>
Total Non-Current Liabilities		
<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	86,820,031	94,369,336
Restricted	13,042,488	6,031,970
Unrestricted	58,359,646	62,803,396
	<u>158,222,165</u>	<u>163,204,702</u>
Total Net Position		
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$183,817,280</u></u>	<u><u>\$177,344,195</u></u>



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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,070,908	\$24,342,848
MISO sales	4,049,103	24,897,259
Steam sales	913,155	5,636,557
Coal sales	4,208,885	17,790,751
Railcar/facilities leasing	5,000	167,832
By-product sales	12,022	179,871
Miscellaneous sources	76,520	271,369
Cash paid to/for:		
Suppliers	(907,329)	(4,784,814)
MISO purchases/administration fees	(2,383,098)	(15,875,363)
Coal purchases	(6,621,800)	(30,638,331)
Employees payroll, taxes and benefits	(1,554,466)	(10,374,453)
Net cash flows from operating activities	<u>1,868,900</u>	<u>11,613,526</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(407,598)	(1,657,615)
Loan to Water Utility	<u>(250,000)</u>	<u>(750,000)</u>
Net cash flows from capital and related financing activities	<u>(657,598)</u>	<u>(2,407,615)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(44,470)
Interest received on investments and note receivable	557	657,246
Amortization/accretion of investments	---	(568)
Mark to Market	<u>---</u>	<u>(72)</u>
Net cash flows from investing activities	<u>557</u>	<u>612,136</u>
Net increase in cash and investments	<u>1,211,859</u>	<u>9,818,047</u>
Cash and investments at beginning of period	<u>37,701,089</u>	<u>29,094,901</u>
Cash and investments at end of period	<u><u>\$38,912,948</u></u>	<u><u>\$38,912,948</u></u>

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

	<u><b>Current Month</b></u>	<u><b>Year- To-Date</b></u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$552,492	\$2,855,424
Noncash items in operating income:		
Depreciation of electric utility plant	945,494	5,672,964
Amortization of joint venture rights	8,925	49,367
Changes in assets and liabilities:		
Consumer accounts receivable	1,557	1,794,373
Refined coal	41,975	(4,166,910)
Wholesale receivable	71,038	15,063
Steam sales receivable	120,478	249,156
Inventories	332,001	295,793
Fuel	213,991	2,487,586
Prepaid expenses	(206,941)	(643,402)
Accounts payable	(420,863)	2,013,468
Pension provision	178,546	1,071,276
Health & dental insurance provision	(53,199)	(97,864)
Other post-employment benefit provision	8,229	49,375
Accrued payroll	70,185	(105,611)
Accrued vacation	(29,681)	54,579
Accrued emission allowance expense	9,359	(12,028)
Consumers' deposits	13,575	51,581
Accrued property taxes	8,138	1,108
Miscellaneous accrued expenses	4,433	(18,805)
Unearned mooring lease	(832)	(2,967)
Net cash flows from operating activities	<u><u>\$1,868,900</u></u>	<u><u>\$11,613,526</u></u>

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

	<u><b>This Year</b></u>	<u><b>Last Year</b></u>
Extraordinary Operation & Maintenance Account	<u>\$13,042,488</u>	<u>\$6,031,970</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$13,042,488</u></u>	<u><u>\$6,031,970</u></u>

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Purchased Power</u></b>	<u>\$2,195,217</u>	28.4	<u>\$2,689,027</u>	29.8	<u>\$2,065,975</u>	26.9
Average price per kWh	\$0.0285		\$0.0368		\$0.0281	
<b><u>Generation</u></b>						
Operation Supervision	76,827		76,555		74,744	
Fuel:						
Coal	2,060,839		2,218,298		2,168,419	
Fuel Oil	15,749		29,333		4,183	
Gas	10,450		23,585		22,794	
Coal Handling Expense	71,402		61,313		58,254	
Landfill Operation Expense	13,972		5,365		2,292	
Emissions Allowance Expense	7,526		9,359		8,663	
Steam Expense:						
Boiler	105,630		90,430		91,598	
Pollution Control	93,314		34,469		31,241	
Electric Expense	100,731		98,350		91,072	
Miscellaneous Steam Power Expense	217,851		139,624		117,314	
Maintenance:						
Supervision	81,941		84,069		73,107	
Structures	78,807		36,200		48,272	
Boiler Plant:						
Boiler	201,394		231,755		265,896	
Pollution Control	69,019		38,935		92,249	
Electric Plant	38,363		29,041		53,400	
System Control	19,450		15,474		14,966	
Miscellaneous Steam Plant	68,528		53,216		65,401	
Coal Handling Equipment	86,672		35,947		42,680	
System Control and Load Dispatch	28,749		23,364		26,955	
Vacation, Holiday, Sick Leave	68,482		83,690		77,218	
Depreciation	<u>625,409</u>		<u>624,707</u>		<u>622,373</u>	
Total Generation Expense	<u>\$4,141,105</u>	53.6	<u>\$4,043,079</u>	44.9	<u>\$4,053,091</u>	52.8

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

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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>\$11,350,246</u>	26.5	<u>\$15,812,866</u>	28.5	<u>\$11,347,916</u>	25.2
Average price per kWh	\$0.0261		\$0.0369		\$0.0267	
<b><u>Generation</u></b>						
Operation Supervision	465,548		477,631		465,815	
Fuel:						
Coal	11,501,088		14,432,193		13,273,389	
Fuel Oil	95,517		123,324		35,404	
Gas	93,350		267,561		68,018	
Coal Handling Expense	403,527		408,278		389,457	
Landfill Operation Expense	34,572		14,598		25,846	
Emissions Allowance Expense	40,157		47,872		41,094	
Steam Expense:						
Boiler	615,590		597,141		602,379	
Pollution Control	284,804		210,177		207,246	
Electric Expense	549,948		565,461		544,748	
Miscellaneous Steam Power Expense	1,302,790		915,571		944,267	
Maintenance:						
Supervision	486,963		503,755		490,684	
Structures	435,070		340,889		377,766	
Boiler Plant:						
Boiler	1,317,900		1,212,076		1,192,939	
Pollution Control	358,827		433,161		318,591	
Electric Plant	298,715		290,935		395,703	
System Control	115,110		112,332		108,826	
Miscellaneous Steam Plant	481,995		390,858		377,401	
Coal Handling Equipment	401,815		435,639		456,207	
System Control and Load Dispatch	183,884		159,287		163,163	
Vacation, Holiday, Sick Leave	509,816		604,652		549,983	
Depreciation	<u>3,752,452</u>		<u>3,748,242</u>		<u>3,734,238</u>	
<b>Total Generation Expense</b>	<u>\$23,729,438</u>	55.5	<u>\$26,291,633</u>	47.3	<u>\$24,763,164</u>	54.9

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision	\$3,945		\$4,296		\$3,184	
Load Dispatching	50,800		53,982		46,393	
Station Expense	12,850		14,243		7,157	
Overhead Line Expense	129		366		889	
Transmission of Electricity by Others	28,433		29,551		14,448	
Miscellaneous Transmission Expense	33,416		10,314		3,847	
Maintenance:						
Supervision	1,977		1,929		1,633	
Structures	3,674		---		---	
Station Equipment	5,971		2,569		3,599	
Overhead Lines	10,385		12,500		5,802	
Vacation, Holiday, Sick Leave	5,084		4,485		7,469	
Depreciation	31,041		30,688		30,625	
Tax on Rural Property	5,716		5,642		5,774	
Total Transmission Expense	<u>193,421</u>	2.5	<u>170,565</u>	1.9	<u>130,820</u>	1.7
<b><u>Distribution</u></b>						
Operation Supervision	11,116		11,557		9,876	
Load Dispatching	29,417		33,809		31,347	
Station Expense	6,664		8,615		6,125	
Overhead Line Expense	6,954		3,777		2,511	
Vehicle Expense	17,761		13,690		16,424	
Underground Line Expense	3,031		3,724		3,791	
Street Lighting	1,718		1,279		3,083	
Signal Expense	760		239		125	
Meter Expense	7,919		9,363		5,915	
Consumer Installation Expense	643		591		200	
Miscellaneous Distribution Expense	46,215		48,962		48,632	
Maintenance:						
Supervision	10,150		10,360		9,051	
Structures	2,884		1,498		---	
Station Equipment	8,378		7,040		5,730	
Overhead Lines	44,527		61,838		82,365	
Underground Lines	8,576		10,095		10,820	
Line Transformers	3,068		6,151		2,476	
Street Lighting	5,116		2,906		31,993	
Signal System	2,903		4,537		3,639	
Meters	2,365		1,666		3,636	
Miscellaneous Distribution Plant	2,318		3,940		2,107	
Vacation, Holiday, Sick Leave	21,723		20,361		20,219	
Depreciation	159,472		158,237		155,502	
Tax on Rural Property	1,708		1,685		1,725	
Total Distribution Expense	<u>\$405,386</u>	5.2	<u>\$425,920</u>	4.7	<u>\$457,292</u>	6.0

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision	\$23,408		\$25,775		\$23,579	
Load Dispatching	351,758		372,678		331,815	
Station Expense	54,114		85,560		39,107	
Overhead Line Expense	459		2,438		2,415	
Transmission of Electricity by Others	170,600		174,943		76,194	
Miscellaneous Transmission Expense	91,838		29,919		34,659	
Maintenance:						
Supervision	11,654		12,066		11,107	
Structures	7,742		---		---	
Station Equipment	47,760		34,112		40,023	
Overhead Lines	64,710		80,001		85,832	
Vacation, Holiday, Sick Leave	37,825		37,795		39,238	
Depreciation	186,247		184,128		183,750	
Tax on Rural Property	34,296		33,957		34,280	
Total Transmission Expense	<u>1,082,411</u>	2.5	<u>1,073,372</u>	1.9	<u>901,999</u>	2.0
<b><u>Distribution</u></b>						
Operation Supervision	65,079		71,552		66,181	
Load Dispatching	173,302		177,387		156,900	
Station Expense	43,627		61,301		31,189	
Overhead Line Expense	45,375		10,333		10,384	
Vehicle Expense	106,591		92,250		102,835	
Underground Line Expense	19,176		16,173		16,548	
Street Lighting	10,006		12,505		10,406	
Signal Expense	3,810		1,639		947	
Meter Expense	49,881		55,258		53,709	
Consumer Installation Expense	3,782		3,950		3,918	
Miscellaneous Distribution Expense	283,575		299,008		316,774	
Maintenance:						
Supervision	59,078		64,263		59,765	
Structures	7,156		1,498		---	
Station Equipment	106,047		41,838		63,343	
Overhead Lines	305,577		272,232		431,584	
Underground Lines	53,194		138,181		35,489	
Line Transformers	28,907		20,498		42,876	
Street Lighting	31,841		27,246		48,426	
Signal System	15,980		19,069		11,537	
Meters	16,570		12,254		16,543	
Miscellaneous Distribution Plant	13,905		19,786		12,916	
Vacation, Holiday, Sick Leave	162,609		158,302		169,252	
Depreciation	956,830		949,422		933,012	
Tax on Rural Property	10,248		10,138		10,236	
Total Distribution Expense	<u>\$2,572,146</u>	6.0	<u>\$2,536,083</u>	4.6	<u>\$2,604,770</u>	5.8

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense	\$21,420		\$3,274		\$4,334	
Energy Efficiency Rebates	20,116		77,680		29,031	
Electric Ranges/Dryers Maintenance	441		177		482	
Electric Water Heaters Maintenance	140		30		86	
Total Customer Service Expense	<u>42,117</u>	0.5	<u>81,161</u>	0.9	<u>33,933</u>	0.4
<b><u>Consumer Accounts</u></b>						
Supervision	2,761		3,311		2,845	
Meter Reading Expense	9,104		8,755		9,481	
Consumer Records and Collection	32,264		28,322		30,889	
Uncollectible Accounts Expense	4,317		4,316		3,297	
Vacation, Holiday, Sick Leave	3,318		3,898		3,322	
Total Consumer Accounts Expense	<u>51,764</u>	0.7	<u>48,602</u>	0.5	<u>49,834</u>	0.6
<b><u>Administrative and General</u></b>						
Administrative and General Salaries	165,844		153,461		167,840	
Office Supplies and Expenses	18,742		10,807		10,075	
Outside Services Employed	101,092		32,226		54,378	
Property Insurance	59,026		59,470		55,169	
Casualty Ins, Injuries & Damages	41,720		31,780		28,391	
Employee Pensions and Benefits	501,445		485,725		431,105	
Fringe Benefits Charged to Constr.	(33,875)		(32,881)		(18,667)	
Regulatory Commission	8,608		7,334		8,602	
Miscellaneous General Expense	36,979		25,738		24,591	
Maintenance of General Plant	29,199		28,226		10,666	
Maintenance of A/O Center	46,428		39,551		32,407	
Vacation, Holiday, Sick Leave	20,909		24,331		17,651	
Depreciation	134,595		131,862		128,501	
Total Administrative and General	<u>1,130,712</u>	14.6	<u>997,630</u>	11.1	<u>950,709</u>	12.4
Total Operating Expense	<u>\$8,159,722</u>		<u>\$8,455,984</u>		<u>\$7,741,654</u>	
Percent to Operating Revenue		105.6		93.9		100.8



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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense	\$86,792		\$38,795		\$41,444	
Energy Efficiency Rebates	120,692		107,756		79,143	
Electric Ranges/Dryers Maintenance	2,747		2,314		3,505	
Electric Water Heaters Maintenance	1,042		448		591	
Total Customer Service Expense	<u>\$211,273</u>	0.5	<u>\$149,313</u>	0.3	<u>\$124,683</u>	0.3
<b><u>Consumer Accounts</u></b>						
Supervision	16,522		17,441		18,025	
Meter Reading Expense	53,677		57,603		55,731	
Consumer Records and Collection	193,405		193,483		201,117	
Uncollectible Accounts Expense	25,899		25,899		19,782	
Vacation, Holiday, Sick Leave	24,980		28,831		26,146	
Total Consumer Accounts Expense	<u>314,483</u>	0.7	<u>323,257</u>	0.6	<u>320,801</u>	0.7
<b><u>Administrative and General</u></b>						
Administrative and General Salaries	995,139		984,969		1,036,261	
Office Supplies and Expenses	126,443		82,603		92,427	
Outside Services Employed	486,872		290,134		290,699	
Property Insurance	342,237		343,917		305,368	
Casualty Ins, Injuries & Damages	252,720		274,626		188,211	
Employee Pensions and Benefits	3,098,319		3,058,064		3,004,818	
Fringe Benefits Charged to Constr.	(164,810)		(144,142)		(91,044)	
Regulatory Commission	51,650		42,740		49,480	
Miscellaneous General Expense	262,934		246,572		203,441	
Maintenance of General Plant	190,937		176,776		147,281	
Maintenance of A/O Center	239,287		200,441		191,982	
Vacation, Holiday, Sick Leave	156,224		162,312		162,510	
Depreciation	807,568		791,172		771,006	
Total Administrative and General	<u>6,845,520</u>	16.0	<u>6,510,184</u>	11.7	<u>6,352,440</u>	14.1
Total Operating Expense	<u>\$46,105,517</u>		<u>\$52,696,708</u>		<u>\$46,415,773</u>	
Percent to Operating Revenue		107.7		94.9		103.0

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

**Total Fuel Cost**

(To & Including Ash Handling, Gas & Oil)

	<b><u>Current Month</u></b>	
	<b><u>2014</u></b>	<b><u>2013</u></b>
Per Million Btu.	\$1.703	\$1.783
Per Net MW Generated	\$19.92	\$19.92
Net Peak Monthly Demand-KW	124,070	127,520
Date of Peak	6/30	6/12
Hour of Peak	1400	1400

	<b><u>Calendar Year-To-Date</u></b>	
	<b><u>2014</u></b>	<b><u>2013</u></b>
Per Million Btu.	\$1.878	\$1.816
Per Net MW Generated	\$21.76	\$20.10
Net Peak Monthly Demand-KW	124,070	127,520
Date of Peak	6/30	6/12
Hour of Peak	1400	1400

Average Temperature	71.7°	70.4°
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<b><u>Services</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Residential	9,731	9,727
Commercial I	1,369	1,380
Commercial II	118	115
Industrial I	10	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	33	33
<b>Total</b>	<b><u>11,285</u></b>	<b><u>11,289</u></b>

**Muscatine Power and Water - Electric Utility**  
**Wholesale Sales Analysis**  
**Current Month - June 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>70,679,808</u></b>		<b><u>97,741,428</u></b>		<b><u>87,980,580</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$2,261,754</u></b>	<b><u>\$0.03200</u></b>	<b><u>\$4,025,504</u></b>	<b><u>\$0.04119</u></b>	<b><u>\$2,844,733</u></b>	<b><u>\$0.03233</u></b>
<b><u>Variable Costs</u></b>						
Fuel (Coal, Gas & Fuel Oil)	1,458,819	0.02064	1,865,787	0.01909	1,676,926	0.01906
Emissions:						
SO <sup>2</sup> Allowances <sup>fn1</sup>	352	0.00000	83	0.00000	50	0.00000
NO <sub>x</sub> Allowances <sup>fn2</sup>	5,868	0.00008	15,320	0.00016	6,181	0.00007
Other <sup>fn3</sup>	<u>186,673</u>	<u>0.00264</u>	<u>184,962</u>	<u>0.00189</u>	<u>187,258</u>	<u>0.00213</u>
<b>Total Variable Costs</b>	<b><u>1,651,712</u></b>	<b><u>0.02337</u></b>	<b><u>2,066,152</u></b>	<b><u>0.02114</u></b>	<b><u>1,870,415</u></b>	<b><u>0.02126</u></b>
<b>Gross Margin</b>	<b><u>\$610,042</u></b>	<b><u>\$0.00863</u></b>	<b><u>\$1,959,352</u></b>	<b><u>\$0.02005</u></b>	<b><u>\$974,318</u></b>	<b><u>\$0.01107</u></b>
<b>Percent Gross Margin</b>	<b>27.0%</b>		<b>48.7%</b>		<b>34.2%</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>417,317,889</u></b>		<b><u>559,645,457</u></b>		<b><u>549,659,370</u></b>	
<b><u>Wholesale Sales</u></b>	<b><u>\$11,818,008</u></b>	<b><u>\$0.02832</u></b>	<b><u>\$25,341,126</u></b>	<b><u>\$0.04528</u></b>	<b><u>\$16,732,636</u></b>	<b><u>\$0.03044</u></b>
<b><u>Variable Costs</u></b>						
Fuel (Coal, Gas & Fuel Oil)	8,018,658	0.01921	11,623,691	0.02077	10,527,353	0.01915
Emissions:						
SO <sup>2</sup> Allowances <sup>fn1</sup>	2,226	0.00001	324	0.00000	220	0.00000
NO <sub>x</sub> Allowances <sup>fn2</sup>	33,244	0.00008	112,377	0.00020	31,215	0.00006
Other <sup>fn3</sup>	<u>1,120,038</u>	<u>0.00268</u>	<u>1,118,327</u>	<u>0.00200</u>	<u>1,142,553</u>	<u>0.00208</u>
<b>Total Variable Costs</b>	<b><u>9,174,166</u></b>	<b><u>0.02198</u></b>	<b><u>12,854,719</u></b>	<b><u>0.02297</u></b>	<b><u>11,701,341</u></b>	<b><u>0.02129</u></b>
<b>Gross Margin</b>	<b><u>\$2,643,842</u></b>	<b><u>\$0.00634</u></b>	<b><u>\$12,486,407</u></b>	<b><u>\$0.02231</u></b>	<b><u>\$5,031,295</u></b>	<b><u>\$0.00915</u></b>
<b>Percent Gross Margin</b>	<b>22.4%</b>		<b>49.3%</b>		<b>30.1%</b>	

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	\$0.88	\$0.75
YTD SO <sup>2</sup>	2.00	0.79	0.75
<b>fn2</b> NO <sub>x</sub> annual	42.50	61.50	45.00
NO <sub>x</sub> seasonal	10.00	24.50	21.50
<b>fn3</b> YTD NO <sub>x</sub> annual	42.50	57.18	40.93
YTD NO <sub>x</sub> seasonal	10.00	24.90	4.79

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

**Muscatine Power and Water - Electric Utility**  
**SUPPLEMENTAL STATISTICAL DATA - FOR INTERNAL PURPOSES ONLY**  
June 2014

**Delivered to Wholesale Customers**

	Current Month <u>2014 Budget</u>	Current Month <u>2014 Actual</u>	Current Month <u>2013 Actual</u>	Year-To-Date <u>2014 Budget</u>	Year-To-Date <u>2014 Actual</u>	Year-To-Date <u>2013 Actual</u>
Wholesale Sales KWHs	70,679,808	97,741,428	87,980,580	417,317,889	559,645,457	549,659,370
Wholesale Sales	\$2,261,754	\$4,025,504	\$2,844,733	\$11,818,008	\$25,341,126	\$16,732,636
Less:						
Production Fuel	1,549,244	1,937,877	1,742,441	8,488,910	12,126,003	10,973,660
Generation-Other	1,938,602	1,666,796	1,675,274	11,404,064	10,857,869	10,441,259
Transmission	193,421	170,565	130,820	1,082,411	1,073,372	901,999
Subtotal	<u>3,681,267</u>	<u>3,775,238</u>	<u>3,548,535</u>	<u>20,975,385</u>	<u>24,057,244</u>	<u>22,316,918</u>
Wholesale Margin	<u>(\$1,419,513)</u>	<u>\$250,266</u>	<u>(\$703,802)</u>	<u>(\$9,157,377)</u>	<u>\$1,283,882</u>	<u>(\$5,584,282)</u>

**Delivered to Steam Customer**

	Current Month <u>2014 Budget</u>	Current Month <u>2014 Actual</u>	Current Month <u>2013 Actual</u>	Year-To-Date <u>2014 Budget</u>	Year-To-Date <u>2014 Actual</u>	Year-To-Date <u>2013 Actual</u>
Steam Sales - 1,000 lbs.	257,308	202,094	229,179	1,536,367	1,409,554	1,263,277
Steam Sales	\$976,225	\$792,403	\$826,367	\$5,908,580	\$5,444,721	\$4,652,056
Less:						
Production Fuel	623,168	400,017	513,501	3,639,144	3,119,951	2,818,454
Generation-Other	<u>30,091</u>	<u>38,389</u>	<u>121,875</u>	<u>197,320</u>	<u>187,810</u>	<u>529,791</u>
Steam sales Margin	<u>\$322,966</u>	<u>\$353,997</u>	<u>\$190,991</u>	<u>\$2,072,116</u>	<u>\$2,136,960</u>	<u>\$1,303,811</u>

**Delivered to Paying Native System Customers**

	Current Month <u>2014 Budget</u>	Current Month <u>2014 Actual</u>	Current Month <u>2013 Actual</u>	Year-To-Date <u>2014 Budget</u>	Year-To-Date <u>2014 Actual</u>	Year-To-Date <u>2013 Actual</u>
Native System Sales KWHs	72,438,217	68,658,438	68,919,793	416,274,974	408,880,463	406,803,755
Native System Sales	\$4,351,773	\$4,087,539	\$3,938,976	\$24,416,310	\$24,278,331	\$23,118,255
Less:						
Purchased Power	2,195,217	2,689,027	2,065,975	11,350,246	15,812,866	11,347,916
Distribution	405,386	425,920	457,292	2,572,146	2,536,083	2,604,770
Customer Service	42,117	81,161	33,933	211,273	149,313	124,683
Consumers Accounts	51,764	48,602	49,834	314,483	323,257	320,801
Administrative & General	<u>1,130,712</u>	<u>997,630</u>	<u>950,709</u>	<u>6,845,520</u>	<u>6,510,184</u>	<u>6,352,440</u>
Subtotal	<u>3,825,196</u>	<u>4,242,340</u>	<u>3,557,743</u>	<u>21,293,668</u>	<u>25,331,703</u>	<u>20,750,610</u>
Native System Margin	526,577	(154,801)	381,233	3,122,642	(1,053,372)	2,367,645
Steam Sales Margin	322,966	353,997	190,991	2,072,116	2,136,960	1,303,811
Wholesale Margin	<u>(1,419,513)</u>	<u>250,266</u>	<u>(703,802)</u>	<u>(9,157,377)</u>	<u>1,283,882</u>	<u>(5,584,282)</u>
Net Electric Margin	(569,970)	449,462	(131,578)	(3,962,619)	2,367,470	(1,912,826)
Other Revenue	136,849	103,030	68,472	647,124	487,954	566,349
Nonoperating Revenue (Expense)	<u>114,270</u>	<u>108,234</u>	<u>117,035</u>	<u>685,332</u>	<u>640,684</u>	<u>641,932</u>
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	<u>(\$318,851)</u>	<u>\$660,726</u>	<u>\$53,929</u>	<u>(\$2,630,163)</u>	<u>\$3,496,108</u>	<u>(\$704,545)</u>