

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

October 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 - October 2014

	<u>Budget Estimate</u>	<u>% Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>% Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>KWH Generated and Sold</u>					
Gross Generation	43,560,456	21.7	53,017,960	(30.1)	75,897,246
Less: Plant Use	<u>3,852,432</u>	87.3	<u>7,215,186</u>	(5.9)	<u>7,663,507</u>
Net Generation/Wholesale Sales	<u><u>39,708,024</u></u>	15.3	<u><u>45,802,774</u></u>	(32.9)	<u><u>68,233,739</u></u>
<u>Net Capacity Factors</u>					
Unit 9	30.00	12.5	33.75	6.1	31.82
Unit 8/8A	3.62	(11.9)	3.19	(94.7)	60.68
Unit 7	11.00	98.3	21.81	(60.3)	54.92
Total Plant	23.12	15.4	26.69	(32.9)	39.76
<u>KWH Distribution</u>					
Residential	6,250,000	4.8	6,547,353	(10.3)	7,297,140
Commercial I	2,760,550	(0.5)	2,745,859	(6.0)	2,920,743
Commercial II	8,250,000	1.6	8,383,440	1.2	8,285,380
Industrial I	9,655,177	4.5	10,090,880	(2.9)	10,391,180
Industrial II	40,576,490	(3.8)	39,027,174	(2.3)	39,951,358
City Enterprise Funds	425,000	5.1	446,748	21.3	368,256
Water & Communications Utilities	<u>1,352,806</u>	0.5	<u>1,359,539</u>	(4.1)	<u>1,418,156</u>
Native System Sales	69,270,023	(1.0)	68,600,993	(2.9)	70,632,213
City Lighting	168,822	(5.7)	159,180	(2.2)	162,726
City Buildings	446,360	2.4	457,228	(5.0)	481,157
Offline Power Plant Usage	194,830	1.4X	464,757	(26.1)	628,606
Losses & Cycle Billing	<u>3,702,630</u>	(41.8)	<u>2,153,616</u>	9.8	<u>1,962,037</u>
Total Native System KWH Distributed/Purchased Power	<u><u>73,782,665</u></u>	(2.6)	<u><u>71,835,774</u></u>	(2.7)	<u><u>73,866,739</u></u>
 <u>STEAM SALES - 1000 lbs</u>	 <u><u>2,419</u></u>	 38.5	 <u><u>3,350</u></u>	 (98.8)	 <u><u>272,199</u></u>

**Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - October 2014**

	<u>Budget Estimate</u>	<u>% Increase (Decrease) From Budget</u>	<u>This Year</u>	<u>% Increase (Decrease) Fr. Last Yr.</u>	<u>Last Year</u>
<u>KWH Generated and Sold</u>					
Gross Generation	843,358,662	5.5	889,588,763	(8.4)	971,365,569
Less: Plant Use	<u>82,693,956</u>	19.1	<u>98,468,098</u>	(0.8)	<u>99,215,071</u>
Net Generation/Wholesale Sales	<u><u>760,664,706</u></u>	4.0	<u><u>791,120,665</u></u>	(9.3)	<u><u>872,150,498</u></u>
<u>Net Capacity Factors</u>					
Unit 9	49.06	0.1	49.10	(14.4)	57.33
Unit 8/8A	44.77	14.5	51.24	6.3	48.19
Unit 7	17.64	42.1	25.07	15.2	21.76
Total Plant	45.16	4.1	47.01	(9.3)	51.82
<u>KWH Distribution</u>					
Residential	92,349,450	(4.9)	87,811,830	(1.8)	89,463,623
Commercial I	33,293,875	(5.0)	31,634,693	(4.6)	33,162,939
Commercial II	90,595,625	(4.6)	86,413,244	2.7	84,115,491
Industrial I	101,060,552	(3.3)	97,693,820	(5.9)	103,819,460
Industrial II	379,249,145	(0.8)	376,101,488	2.2	368,057,806
City Enterprise Funds	4,860,000	(12.2)	4,267,118	6.6	4,002,163
Water & Communications Utilities	<u>13,548,786</u>	2.1	<u>13,837,308</u>	4.0	<u>13,307,967</u>
Native System Sales	714,957,433	(2.4)	697,759,501	0.3	695,929,449
City Lighting	1,710,387	(5.5)	1,615,810	(3.9)	1,680,766
City Buildings	5,355,404	9.3	5,851,060	(0.1)	5,855,845
Offline Power Plant Usage	830,488	2.6X	2,992,214	2.8	2,911,527
Losses & Cycle Billing	<u>21,766,671</u>	(11.7)	<u>19,226,622</u>	(2.9)	<u>19,807,641</u>
Total Native System KWH Distributed/Purchased Power	<u><u>744,620,383</u></u>	(2.3)	<u><u>727,445,207</u></u>	0.2	<u><u>726,185,228</u></u>
<u>STEAM SALES - 1000 lbs</u>	<u><u>2,314,185</u></u>	(15.8)	<u><u>1,947,545</u></u>	(12.9)	<u><u>2,235,377</u></u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - October 2014

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$663,440	0.10615	\$704,253	0.10756	\$724,762	0.09932
Commercial I	262,854	0.09522	261,543	0.09525	257,571	0.08819
Commercial II	600,900	0.07284	601,362	0.07173	548,804	0.06624
Industrial I	559,971	0.05800	581,502	0.05763	566,746	0.05454
Industrial II	1,889,339	0.04656	1,836,374	0.04705	1,857,058	0.04648
City Enterprise Funds	29,724	0.06994	31,970	0.07156	23,707	0.06438
Water & Communication Utilities	71,790	0.05307	84,996	0.06252	78,863	0.05561
Native System Sales	4,078,018	0.05887	4,102,000	0.05980	4,057,511	0.05745
Wholesale Sales	1,270,657	0.03200	1,839,480	0.04016	2,653,362	0.03889
Energy Sales	5,348,675		5,941,480		6,710,873	
Steam Sales	9,899	4.09	115,533	34.49	980,073	3.60
<u>Other Revenue</u>						
Rail Car Lease	---		---		22,757	
By-Product Revenue	6,705		27,252		136,780	
Miscellaneous Revenue	43,768		49,929		46,092	
Total Other Revenue	50,473		77,181		205,629	
Operating Revenue	5,409,047		6,134,194		7,896,575	
<u>Operating Expense</u>						
Purchased Power	1,660,110	0.02250	2,272,687	0.03164	2,494,300	0.03377
Production Fuel	1,229,236		1,124,888		2,112,796	
Emissions Allowance	6,228		200		(31,823)	
Operation	1,846,952		1,739,905		1,833,178	
Maintenance	1,765,785		2,009,915		1,677,403	
Depreciation	950,517		945,494		937,001	
Total Operating Expense	7,458,828		8,093,089		9,022,855	
Operating Loss	(2,049,781)		(1,958,895)		(1,126,280)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	114,423		108,108		107,949	
Interest Expense	(133)		(85)		(187)	
Total Nonoperating Revenue (Expense)	114,290		108,023		107,762	
Net Loss Before Revenue Adjustment	(1,935,491)		(1,850,872)		(1,018,518)	
Capital Contributions	6,278		---		500	
Revenue Adjustment-Extraordinary O&M	---		---		---	
Change in Net Position	(1,929,213)		(1,850,872)		(1,018,018)	
Beginning Net Position	153,665,885		158,453,671		163,526,597	
Ending Net Position	\$151,736,672		\$156,602,799		\$162,508,579	
Net Loss Before Rev Adj to Op Revenue	(35.8)		(30.2)		(12.9)	
Change in Net Position to Operating Revenue	(35.7)		(30.2)		(12.9)	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - October 2014

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$8,872,795	0.09608	\$8,600,635	0.09794	\$8,276,268	0.09251
Commercial I	2,982,905	0.08959	2,838,526	0.08973	2,766,705	0.08343
Commercial II	6,125,492	0.06761	5,851,382	0.06771	5,218,033	0.06203
Industrial I	5,661,817	0.05602	5,603,828	0.05736	5,556,157	0.05352
Industrial II	17,907,184	0.04722	17,802,007	0.04733	17,394,284	0.04726
City Enterprise Funds	300,080	0.06174	287,713	0.06743	246,738	0.06165
Water & Communications Utilities	693,747	0.05120	794,937	0.05745	697,773	0.05243
	<u>42,544,020</u>	<u>0.05951</u>	<u>41,779,028</u>	<u>0.05988</u>	<u>40,155,958</u>	<u>0.05770</u>
Native System Sales	24,022,291	0.03158	34,176,631	0.04320	27,893,684	0.03198
Wholesale Sales	<u>66,566,311</u>		<u>75,955,659</u>		<u>68,049,642</u>	
Energy Sales	<u>8,870,318</u>	3.83	<u>7,661,596</u>	3.93	<u>8,169,372</u>	3.65
<u>Steam Sales</u>	<u>110,400</u>		<u>68,627</u>		<u>215,122</u>	
Rail Car Lease	312,338		360,412		303,236	
By-Product Revenue	478,038		529,299		508,892	
Miscellaneous Revenue	<u>900,776</u>		<u>958,338</u>		<u>1,027,250</u>	
Total Other Revenue	<u>76,337,405</u>		<u>84,575,593</u>		<u>77,246,264</u>	
Operating Revenue	<u>20,294,461</u>	0.02725	25,329,795	0.03482	20,518,614	0.02826
<u>Operating Expense</u>	21,998,269		21,897,636		22,786,410	
Purchased Power	68,858		80,447		71,011	
Production Fuel	19,466,318		18,188,217		17,716,266	
Emissions Allowance	9,389,214		8,863,444		9,267,975	
Operation	9,505,164		9,454,940		9,370,010	
Maintenance	<u>80,722,284</u>		<u>83,814,479</u>		<u>79,730,286</u>	
Depreciation	<u>80,722,284</u>		<u>83,814,479</u>		<u>79,730,286</u>	
Total Operating Expense	<u>(4,384,879)</u>		<u>761,114</u>		<u>(2,484,022)</u>	
Total Operating Expense	<u>(4,384,879)</u>		<u>761,114</u>		<u>(2,484,022)</u>	
Operating Income (Loss)	<u>1,144,049</u>		<u>1,075,947</u>		<u>1,078,041</u>	
<u>Nonoperating Revenue (Expense)</u>	<u>(1,333)</u>		<u>(1,903)</u>		<u>(1,525)</u>	
Interest Income	1,142,716		1,074,044		1,076,516	
Interest Expense	<u>1,142,716</u>		<u>1,074,044</u>		<u>1,076,516</u>	
Total Nonoperating Revenue (Expense)	<u>(3,242,163)</u>		<u>1,835,158</u>		<u>(1,407,506)</u>	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	<u>252,778</u>		<u>41,584</u>		<u>62,135</u>	
Capital Contributions	---		---		---	
Revenue Adjustment-Extraordinary O&M	<u>(2,989,385)</u>		<u>1,876,742</u>		<u>(1,345,371)</u>	
Change in Net Position	<u>154,726,057</u>		<u>154,726,057</u>		<u>163,853,950</u>	
Beginning Net Position	<u>\$151,736,672</u>		<u>\$156,602,799</u>		<u>\$162,508,579</u>	
Ending Net Position	Net Loss Before Rev Adj to Op Revenue (4.3)		2.2		(1.8)	
	Change in Net Position to Operating Revenue (3.9)		2.2		(1.7)	

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

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$2,042,488	\$1,031,242
Investments	11,000,000	5,000,840
	<hr/>	<hr/>
Total Restricted Current Assets	13,042,488	6,032,082
	<hr/>	<hr/>
<u>Unrestricted</u>		
Cash - interest bearing	22,845,506	8,767,098
Investments	3,000,000	14,000,000
Receivables:		
Consumer Accounts	5,152,405	5,190,363
Refined Coal	1,819,689	---
Wholesale	1,942	782,127
Steam Sales	183,900	1,023,534
Interest	437,924	439,379
Inventories	5,931,827	6,443,317
Fuel	5,055,682	5,027,060
Prepaid Expenses	661,513	657,776
	<hr/>	<hr/>
Total Unrestricted Current Assets	45,090,388	42,330,654
	<hr/>	<hr/>
Total Current Assets	58,132,876	48,362,736
	<hr/>	<hr/>
Property and Equipment:		
At Cost	415,082,496	412,588,463
Less Accumulated Depreciation	330,260,408	320,491,373
	<hr/>	<hr/>
Net Property and Equipment	84,822,088	92,097,090
	<hr/>	<hr/>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	1,650,000	400,000
Joint Venture Rights	113,924	116,289
	<hr/>	<hr/>
Total Other Assets	37,090,924	35,843,289
	<hr/>	<hr/>
TOTAL ASSETS	<u><u>\$180,045,888</u></u>	<u><u>\$176,303,115</u></u>

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2014</u>	<u>2013</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$5,117,178	\$2,566,340
Pension Provision	225,098	66,078
Health & Dental Insurance Provision	229,100	173,826
Accrued Payroll	300,107	236,974
Accrued Vacation	1,117,064	1,124,088
Accrued Emission Allowance Expense	80,447	56,277
Consumers' Deposits	668,040	591,433
Retained Percentage on Contracts	37,916	35,917
Accrued Property Taxes	37,638	80,910
Miscellaneous Accrued Expenses	527,661	699,673
Mooring Lease	---	3,799
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	8,340,249	5,635,315
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,485,580	1,671,265
Post-Employment Health Benefit Provision	404,024	274,720
Consumer Advances for Construction	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	2,069,974	2,126,355
	<hr/>	<hr/>
Deferred Inflows of Resources - Extraordinary O & M	13,032,866	6,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	84,822,088	92,097,090
Restricted	13,042,488	6,032,082
Unrestricted	58,738,223	64,379,407
	<hr/>	<hr/>
Total Net Position	156,602,799	162,508,579
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$180,045,888</u>	<u>\$176,303,115</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,878,891	\$41,764,401
MISO sales	1,830,635	35,464,578
Steam sales	461,400	8,539,669
Coal sales	2,624,320	30,753,106
Railcar/facilities leasing	5,200	188,232
By-product sales	78,942	334,614
Miscellaneous sources	31,456	385,755
Cash paid to/for:		
Suppliers	(887,295)	(7,332,446)
MISO purchases/administration fees	(2,005,523)	(25,999,056)
Coal purchases	(4,833,754)	(52,022,408)
Employees payroll, taxes and benefits	(2,398,831)	(18,742,557)
Net cash flows from operating activities	<u>(214,559)</u>	<u>13,333,888</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(474,018)	(3,482,111)
Loan to Water Utility	---	(1,250,000)
Net cash flows from capital and related financing activities	<u>(474,018)</u>	<u>(4,732,111)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(25,070)	(94,610)
Interest received on investments and note receivable	3,971	1,286,566
Amortization/accretion of investments	---	(568)
Mark to Market	---	(72)
Net cash flows from investing activities	<u>(21,099)</u>	<u>1,191,316</u>
Net increase (decrease) in cash and investments	<u>(709,676)</u>	<u>9,793,093</u>
Cash and investments at beginning of period	<u>39,597,670</u>	<u>29,094,901</u>
Cash and investments at end of period	<u><u>\$38,887,994</u></u>	<u><u>\$38,887,994</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
October 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)	(\$1,958,895)	\$761,114
Noncash items in operating income:		
Depreciation of electric utility plant	945,494	9,454,940
Amortization of joint venture rights	8,017	82,306
Changes in assets and liabilities:		
Consumer accounts receivable	828,574	1,608,222
Refined coal	809,831	(1,819,689)
Wholesale receivable	10,195	1,039,534
Steam sales receivable	345,827	894,690
Inventories	56,401	386,781
Fuel	(1,561,022)	13,486
Prepaid expenses	151,240	(21,280)
Accounts payable	601,162	976,910
Pension provision	(357,092)	225,098
Health & dental insurance provision	(4,153)	(8,938)
Other post-employment benefit provision	8,229	82,292
Accrued payroll	77,462	(162,726)
Accrued vacation	4,809	23,584
Accrued emission allowance expense	200	9,752
Consumers' deposits	6,481	74,099
Retained percentage	37,916	37,916
Accrued property taxes	3,925	(59,922)
Miscellaneous accrued expenses	(229,160)	(261,314)
Unearned mooring lease	---	(2,967)
	<hr/>	<hr/>
Net cash flows from operating activities	<u>(\$214,559)</u>	<u>\$13,333,888</u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,042,488</u>	<u>\$6,032,082</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$13,042,488</u>	<u>\$6,032,082</u>

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$1,660,110</u>	30.7	<u>\$2,272,687</u>	37.0	<u>\$2,494,300</u>	31.6
Average price per kWh	\$0.0225		\$0.0316		\$0.0338	
<u>Generation</u>						
Operation Supervision	79,757		104,318		85,175	
Fuel:						
Coal	1,121,988		1,038,192		1,961,680	
Fuel Oil	16,680		431		72,408	
Gas	14,450		12,591		9,105	
Coal Handling Expense	65,858		60,719		63,386	
Landfill Operation Expense	10,260		12,955		6,217	
Emissions Allowance Expense	6,228		200		(31,823)	
Steam Expense:						
Boiler	99,372		91,437		91,024	
Pollution Control	40,378		27,590		22,017	
Electric Expense	100,843		85,636		92,400	
Miscellaneous Steam Power Expense	182,708		155,182		170,586	
Maintenance:						
Supervision	97,935		102,009		87,441	
Structures	49,371		67,226		81,924	
Boiler Plant:						
Boiler	831,588		1,054,553		658,671	
Pollution Control	72,376		87,097		140,111	
Electric Plant	215,600		179,255		238,271	
System Control	19,952		18,239		16,844	
Miscellaneous Steam Plant	68,959		70,563		58,039	
Coal Handling Equipment	193,495		217,139		234,624	
System Control and Load Dispatch	28,608		11,793		28,609	
Vacation, Holiday, Sick Leave	69,676		65,195		79,243	
Depreciation	<u>625,409</u>		<u>624,707</u>		<u>622,373</u>	
Total Generation Expense	<u>\$4,011,491</u>	74.2	<u>\$4,087,027</u>	66.6	<u>\$4,788,325</u>	60.6

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

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$20,294,461</u>	26.6	<u>\$25,329,795</u>	29.9	<u>\$20,518,614</u>	26.6
Average price per kWh	\$0.0273		\$0.0348		\$0.0283	
 <u>Generation</u>						
Operation Supervision	791,520		829,801		794,438	
Fuel:						
Coal	20,947,825		20,704,240		21,819,797	
Fuel Oil	165,944		131,388		156,963	
Gas	138,250		380,408		117,975	
Coal Handling Expense	668,529		638,903		642,349	
Landfill Operation Expense	77,721		42,697		49,326	
Emissions Allowance Expense	68,858		80,447		71,011	
Steam Expense:						
Boiler	1,080,623		1,043,349		965,324	
Pollution Control	461,934		390,422		370,907	
Electric Expense	962,892		931,345		921,369	
Miscellaneous Steam Power Expense	2,067,114		1,562,908		1,690,402	
Maintenance:						
Supervision	823,259		848,123		814,103	
Structures	805,940		601,648		600,464	
Boiler Plant:						
Boiler	2,548,576		2,663,924		2,625,131	
Pollution Control	708,986		641,325		715,128	
Electric Plant	646,389		547,318		930,737	
System Control	193,294		185,178		174,656	
Miscellaneous Steam Plant	764,106		674,890		697,346	
Coal Handling Equipment	810,990		912,152		884,095	
System Control and Load Dispatch	302,014		234,841		271,255	
Vacation, Holiday, Sick Leave	853,926		956,016		918,036	
Depreciation	<u>6,254,087</u>		<u>6,247,070</u>		<u>6,223,730</u>	
 Total Generation Expense	 <u>\$42,142,777</u>	 55.2	 <u>\$41,248,393</u>	 48.8	 <u>\$42,454,542</u>	 55.0

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

	Budget Estimate		This Year		Last Year	
<u>Transmission</u>						
Operation Supervision	\$4,016		\$5,130		\$4,825	
Load Dispatching	51,812		70,617		58,337	
Station Expense	7,309		12,433		10,474	
Overhead Line Expense	129		74		273	
Transmission of Electricity by Others	28,433		31,003		13,085	
Miscellaneous Transmission Expense	32,289		10,639		4,626	
Maintenance:						
Supervision	1,986		2,351		2,212	
Structures	234		---		---	
Station Equipment	6,292		6,386		4,802	
Overhead Lines	10,943		7,708		6,092	
Vacation, Holiday, Sick Leave	5,207		4,794		6,424	
Depreciation	31,041		30,688		30,625	
Tax on Rural Property	5,716		5,642		1,825	
Total Transmission Expense	185,407	3.4	187,465	3.1	143,600	1.8
<u>Distribution</u>						
Operation Supervision	11,006		13,728		13,089	
Load Dispatching	30,254		30,990		32,757	
Station Expense	6,311		7,648		9,209	
Overhead Line Expense	2,958		2,599		3,294	
Vehicle Expense	17,769		17,231		12,737	
Underground Line Expense	3,045		2,666		6,434	
Street Lighting	1,628		1,639		3,735	
Signal Expense	587		103		3,139	
Meter Expense	8,351		9,554		6,276	
Consumer Installation Expense	615		833		352	
Miscellaneous Distribution Expense	46,074		59,783		58,955	
Maintenance:						
Supervision	9,959		12,309		11,757	
Structures	404		---		---	
Station Equipment	11,720		7,681		9,051	
Overhead Lines	86,623		58,126		33,449	
Underground Lines	10,079		26,828		10,934	
Line Transformers	3,213		1,646		1,923	
Street Lighting	5,122		10,886		12,716	
Signal System	1,267		1,683		4,553	
Meters	2,134		4,410		1,521	
Miscellaneous Distribution Plant	2,318		1,526		2,390	
Vacation, Holiday, Sick Leave	22,161		23,068		22,757	
Depreciation	159,472		158,237		155,502	
Tax on Rural Property	1,708		1,685		545	
Total Distribution Expense	\$444,778	8.2	\$454,859	7.4	\$417,075	5.3

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$39,525		\$43,505		\$40,847	
Load Dispatching	557,115		581,310		531,212	
Station Expense	84,901		133,273		75,307	
Overhead Line Expense	790		3,466		2,912	
Transmission of Electricity by Others	284,333		304,579		131,237	
Miscellaneous Transmission Expense	179,002		75,255		54,240	
Maintenance:						
Supervision	19,652		20,497		19,206	
Structures	10,717		---		---	
Station Equipment	73,883		64,973		58,089	
Overhead Lines	107,117		118,693		107,894	
Vacation, Holiday, Sick Leave	63,627		61,755		68,671	
Depreciation	310,412		306,880		306,250	
Tax on Rural Property	57,160		56,916		53,455	
	<u>1,788,234</u>	2.3	<u>1,771,102</u>	2.1	<u>1,449,320</u>	1.9
<u>Distribution</u>						
Operation Supervision	109,615		121,218		114,170	
Load Dispatching	294,479		310,101		288,878	
Station Expense	73,310		97,911		65,037	
Overhead Line Expense	57,608		20,346		19,313	
Vehicle Expense	177,707		153,376		167,788	
Underground Line Expense	31,878		31,792		32,456	
Street Lighting	16,818		21,301		23,171	
Signal Expense	6,469		2,172		4,683	
Meter Expense	82,366		91,924		81,954	
Consumer Installation Expense	6,334		6,093		6,101	
Miscellaneous Distribution Expense	471,249		528,985		510,402	
Maintenance:						
Supervision	99,628		109,123		103,105	
Structures	14,823		1,498		---	
Station Equipment	146,491		79,653		110,921	
Overhead Lines	572,079		428,670		575,893	
Underground Lines	89,358		92,797		77,392	
Line Transformers	50,037		43,736		52,889	
Street Lighting	52,354		68,726		68,628	
Signal System	26,836		50,363		24,673	
Meters	25,235		22,468		22,526	
Miscellaneous Distribution Plant	23,176		31,085		24,215	
Vacation, Holiday, Sick Leave	273,218		272,597		281,269	
Depreciation	1,594,717		1,582,370		1,555,020	
Tax on Rural Property	17,080		16,994		15,956	
	<u>\$4,312,865</u>	5.6	<u>\$4,185,299</u>	4.9	<u>\$4,226,440</u>	5.5

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

	Budget Estimate		This Year		Last Year	
<u>Customer Service Expense</u>						
Customer Information Expense	\$7,913		\$4,709		\$4,519	
Energy Efficiency Rebates	20,115		6,811		3,639	
Electric Ranges/Dryers Maintenance	443		221		359	
Electric Water Heaters Maintenance	169		110		50	
Total Customer Service Expense	28,640	0.5	11,851	0.2	8,567	0.1
<u>Consumer Accounts</u>						
Supervision	2,849		2,592		2,365	
Meter Reading Expense	8,798		9,767		7,115	
Consumer Records and Collection	31,889		36,091		30,748	
Uncollectible Accounts Expense	4,317		4,317		3,297	
Vacation, Holiday, Sick Leave	3,396		5,469		3,727	
Total Consumer Accounts Expense	51,249	0.9	58,236	0.9	47,252	0.6
<u>Administrative and General</u>						
Administrative and General Salaries	171,124		180,637		194,535	
Office Supplies and Expenses	17,788		15,403		17,372	
Outside Services Employed	43,791		43,278		21,076	
Property Insurance	59,026		59,470		55,169	
Casualty Ins, Injuries & Damages	43,319		31,652		20,046	
Employee Pensions and Benefits	504,716		454,596		590,212	
Fringe Benefits Charged to Constr.	(23,717)		(24,262)		(28,103)	
Regulatory Commission	8,608		3,169		7,299	
Miscellaneous General Expense	32,130		30,754		35,292	
Maintenance of General Plant	30,532		32,230		26,719	
Maintenance of A/O Center	33,683		40,064		33,359	
Vacation, Holiday, Sick Leave	21,558		22,111		22,259	
Depreciation	134,595		131,862		128,501	
Total Administrative and General	1,077,153	19.9	1,020,964	16.6	1,123,736	14.2
Total Operating Expense	\$7,458,828		\$8,093,089		\$9,022,855	
Percent to Operating Revenue		137.9		131.9		114.3

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$118,632		\$54,860		\$71,935	
Energy Efficiency Rebates	206,155		149,589		109,293	
Electric Ranges/Dryers Maintenance	4,520		3,605		5,122	
Electric Water Heaters Maintenance	<u>1,689</u>		<u>668</u>		<u>780</u>	
Total Customer Service Expense	<u>\$330,996</u>	0.4	<u>\$208,722</u>	0.2	<u>\$187,130</u>	0.2
 <u>Consumer Accounts</u>						
Supervision	27,917		29,935		30,007	
Meter Reading Expense	88,868		96,439		84,011	
Consumer Records and Collection	324,083		329,155		332,926	
Uncollectible Accounts Expense	43,166		43,165		32,970	
Vacation, Holiday, Sick Leave	<u>42,020</u>		<u>49,305</u>		<u>43,428</u>	
Total Consumer Accounts Expense	<u>526,054</u>	0.7	<u>547,999</u>	0.6	<u>523,342</u>	0.7
 <u>Administrative and General</u>						
Administrative and General Salaries	1,679,568		1,678,273		1,762,287	
Office Supplies and Expenses	206,424		152,017		155,913	
Outside Services Employed	712,138		393,427		373,137	
Property Insurance	578,341		581,796		526,044	
Casualty Ins, Injuries & Damages	422,798		358,895		283,922	
Employee Pensions and Benefits	5,123,783		4,954,919		4,974,081	
Fringe Benefits Charged to Constr.	(272,398)		(264,391)		(206,261)	
Regulatory Commission	86,083		69,586		53,876	
Miscellaneous General Expense	404,384		360,194		314,001	
Maintenance of General Plant	317,196		299,697		251,939	
Maintenance of A/O Center	459,092		356,907		328,945	
Vacation, Holiday, Sick Leave	263,540		263,229		268,004	
Depreciation	<u>1,345,948</u>		<u>1,318,620</u>		<u>1,285,010</u>	
Total Administrative and General	<u>11,326,897</u>	14.8	<u>10,523,169</u>	12.4	<u>10,370,898</u>	13.4
Total Operating Expense	<u><u>\$80,722,284</u></u>		<u><u>\$83,814,479</u></u>		<u><u>\$79,730,286</u></u>	
Percent to Operating Revenue		105.7		99.1		103.2

Muscatine Power and Water - Electric Utility
Statistical Data
October 2014

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

	<u>Current Month</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.883	\$1.920
Per Net MW Generated	\$24.85	\$22.23
Net Peak Monthly Demand-KW	111,300	118,150
Date of Peak	10/2	10/2
Hour of Peak	1200	1600
	<u>Calendar Year-To-Date</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.874	\$1.832
Per Net MW Generated	\$22.39	\$20.55
Net Peak Monthly Demand-KW	133,330	138,170
Date of Peak	9/4	9/9
Hour of Peak	1600	1700
Average Temperature	51°	51.6°
<u>Services</u>	<u>2014</u>	<u>2013</u>
Residential	9,766	9,714
Commercial I	1,368	1,363
Commercial II	118	116
Industrial I	10	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	35	33
Total	<u>11,321</u>	<u>11,260</u>

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

	<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>39,708,024</u>		<u>45,802,774</u>		<u>68,233,739</u>	
<u>Wholesale Sales</u>	<u>\$1,270,657</u>	<u>\$0.03200</u>	<u>\$1,839,480</u>	<u>\$0.04016</u>	<u>\$2,653,362</u>	<u>\$0.03889</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	1,086,872	0.02737	1,054,910	0.02303	1,434,546	0.02102
Emissions:						
SO ² Allowances ^{fn1}	356	0.00001	6	0.00000	56	0.00000
NO _x Allowances ^{fn2}	4,568	0.00012	2,939	0.00006	5,718	0.00008
Other ^{fn3}	<u>186,673</u>	<u>0.00470</u>	<u>184,962</u>	<u>0.00404</u>	<u>187,258</u>	<u>0.00274</u>
Total Variable Costs	<u>1,278,469</u>	<u>0.03220</u>	<u>1,242,817</u>	<u>0.02713</u>	<u>1,627,578</u>	<u>0.02385</u>
Gross Margin	<u>(\$7,812)</u>	<u>(\$0.00020)</u>	<u>\$596,663</u>	<u>\$0.01303</u>	<u>\$1,025,784</u>	<u>\$0.01503</u>
Percent Gross Margin	-0.6%		32.4%		38.7%	

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>760,664,706</u>		<u>791,120,665</u>		<u>872,150,498</u>	
<u>Wholesale Sales</u>	<u>\$24,022,291</u>	<u>\$0.03158</u>	<u>\$34,176,631</u>	<u>\$0.04320</u>	<u>\$27,893,684</u>	<u>\$0.03198</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	15,584,049	0.02049	16,844,086	0.02129	17,073,466	0.01958
Emissions:						
SO ² Allowances ^{fn1}	3,634	0.00000	533	0.00000	444	0.00000
NO _x Allowances ^{fn2}	55,317	0.00007	156,293	0.00020	64,962	0.00007
Other ^{fn3}	<u>1,866,730</u>	<u>0.00245</u>	<u>1,858,175</u>	<u>0.00235</u>	<u>1,891,585</u>	<u>0.00217</u>
Total Variable Costs	<u>17,509,730</u>	<u>0.02302</u>	<u>18,859,087</u>	<u>0.02384</u>	<u>19,030,457</u>	<u>0.02182</u>
Gross Margin	<u>\$6,512,561</u>	<u>\$0.00856</u>	<u>\$15,317,544</u>	<u>\$0.01936</u>	<u>\$8,863,227</u>	<u>\$0.01016</u>
Percent Gross Margin	27.1%		44.8%		31.8%	

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

	<u>Budget</u>	<u>2014</u>	<u>2013</u>
fn1 SO ² (Acid Rain Program)	\$2.00	\$0.90	\$0.75
YTD SO ²	2.00	0.83	0.75
fn2 NO _x annual	42.50	59.50	45.00
NO _x seasonal	10.00	31.50	21.50
fn3 YTD NO _x annual	42.50	57.75	42.67
YTD NO _x seasonal	10.00	26.99	15.77

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