

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

November 2014

**Muscatine Power and Water
Electric Utility**

Table of Contents

	Page
Classification of Electric Energy Distribution.....	1 - 2
Statements of Revenues, Expenses, and Changes in Net Position.....	3 - 4
Statements of Net Position.....	5 - 6
Statements of Cash Flows.....	7 - 8
Funds Appropriated for Specific Purposes.....	9
Summary of Expenses.....	10 - 15
Statistical Data.....	16
Wholesale Sales Analysis.....	17

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - November 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	44,384,328	43.3	63,606,217	(41.2)	108,085,667
Less: Plant Use	<u>5,166,648</u>	45.7	<u>7,526,448</u>	(32.1)	<u>11,090,936</u>
Net Generation/Wholesale Sales	<u><u>39,217,680</u></u>	43.0	<u><u>56,079,769</u></u>	(42.2)	<u><u>96,994,731</u></u>
<u>Net Capacity Factors</u>					
Unit 9	27.00	44.0	38.88	(45.0)	70.65
Unit 8/8A	23.03	-1.0X	---	-1.0X	32.44
Unit 7	---	---	60.95	1.2X	27.17
Total Plant	23.59	43.2	33.77	(42.5)	58.72
<u>KWH Distribution</u>					
Residential	7,250,000	(0.1)	7,240,692	0.3	7,216,643
Commercial I	2,990,250	(6.2)	2,803,428	(3.3)	2,897,756
Commercial II	8,136,400	5.5	8,584,220	0.0	8,583,191
Industrial I	9,072,072	(5.2)	8,602,320	(7.5)	9,304,820
Industrial II	39,414,390	1.3	39,915,484	0.4	39,752,453
City Enterprise Funds	415,000	15.4	478,982	21.8	393,139
Water & Communications Utilities	<u>1,287,659</u>	0.3	<u>1,291,269</u>	(3.9)	<u>1,344,002</u>
Native System Sales	68,565,771	0.5	68,916,395	(0.8)	69,492,004
City Lighting	170,458	(10.0)	153,492	(2.3)	157,148
City Buildings	491,405	9.2	536,658	(1.4)	544,397
Offline Power Plant Usage	35,625	13.9X	531,275	1.2X	242,755
Losses & Cycle Billing	<u>1,831,713</u>	21.2	<u>2,220,949</u>	19.2	<u>1,863,772</u>
Total Native System KWH Distributed/Purchased Power	<u><u>71,094,972</u></u>	1.8	<u><u>72,358,769</u></u>	0.1	<u><u>72,300,076</u></u>
<u>STEAM SALES - 1000 lbs</u>	<u><u>73,069</u></u>	-1.0X	<u><u>---</u></u>	-1.0X	<u><u>199,988</u></u>

**Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - November 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	887,742,990	7.4	953,194,980	(11.7)	1,079,451,236
Less: Plant Use	<u>87,860,604</u>	20.6	<u>105,994,546</u>	(3.9)	<u>110,306,007</u>
Net Generation/Wholesale Sales	<u>799,882,386</u>	5.9	<u>847,200,434</u>	(12.6)	<u>969,145,229</u>
<u>Net Capacity Factors</u>					
Unit 9	47.08	2.3	48.18	(18.1)	58.81
Unit 8/8A	42.82	8.9	46.64	(0.3)	46.77
Unit 7	16.06	76.2	28.29	27.1	22.25
Total Plant	43.23	6.0	45.82	(12.9)	52.62
<u>KWH Distribution</u>					
Residential	99,599,450	(4.6)	95,052,522	(1.7)	96,680,266
Commercial I	36,284,125	(5.1)	34,438,121	(4.4)	36,011,285
Commercial II	98,732,025	(3.8)	94,997,464	2.5	92,698,682
Industrial I	110,132,624	(3.5)	106,296,140	(6.0)	113,124,280
Industrial II	418,663,535	(0.6)	416,016,972	2.0	407,810,259
City Enterprise Funds	5,275,000	(10.0)	4,746,100	9.5	4,334,225
Water & Communications Utilities	<u>14,836,445</u>	2.0	<u>15,128,577</u>	3.0	<u>14,691,969</u>
Native System Sales	783,523,204	(2.2)	766,675,896	0.2	765,350,966
City Lighting	1,880,845	(6.3)	1,761,601	(4.2)	1,837,914
City Buildings	5,846,809	9.3	6,387,718	(0.2)	6,400,242
Offline Power Plant Usage	866,113	3.1X	3,523,489	11.7	3,154,282
Losses & Cycle Billing	<u>23,598,384</u>	(9.1)	<u>21,455,273</u>	(1.3)	<u>21,741,900</u>
Total Native System KWH Distributed/Purchased Power	<u>815,715,355</u>	(2.0)	<u>799,803,977</u>	0.2	<u>798,485,304</u>
<u>STEAM SALES - 1000 lbs</u>	<u>2,387,254</u>	(18.4)	<u>1,947,545</u>	(20.0)	<u>2,435,365</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - November 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	\$749,920	0.10344	\$761,401	0.10516	\$715,952	0.09921
Commercial I	282,982	0.09463	265,995	0.09488	255,385	0.08813
Commercial II	595,171	0.07315	618,150	0.07201	555,109	0.06467
Industrial I	537,243	0.05922	521,358	0.06061	520,042	0.05589
Industrial II	1,854,190	0.04704	1,886,856	0.04727	1,866,905	0.04696
City Enterprise Funds	29,082	0.07008	31,923	0.06665	25,457	0.06475
Water & Communication Utilities	<u>67,832</u>	<u>0.05268</u>	<u>82,569</u>	<u>0.06394</u>	<u>75,937</u>	<u>0.05650</u>
Native System Sales	4,116,420	0.06004	4,168,252	0.06048	4,014,787	0.05777
Wholesale Sales	<u>1,058,877</u>	<u>0.02700</u>	<u>2,463,124</u>	<u>0.04392</u>	<u>3,105,301</u>	<u>0.03202</u>
Energy Sales	<u>5,175,297</u>		<u>6,631,376</u>		<u>7,120,088</u>	
<u>Steam Sales</u>	<u>299,158</u>	4.09	---	---	<u>754,341</u>	3.77
<u>Other Revenue</u>						
Rail Car Lease	---		---		---	
By-Product Revenue	8,652		26,841		10,218	
Miscellaneous Revenue	<u>51,052</u>		<u>55,872</u>		<u>39,862</u>	
Total Other Revenue	<u>59,704</u>		<u>82,713</u>		<u>50,080</u>	
Operating Revenue	<u>5,534,159</u>		<u>6,714,089</u>		<u>7,924,509</u>	
<u>Operating Expense</u>						
Purchased Power	1,688,506	0.02375	2,423,954	0.03350	2,096,949	0.02900
Production Fuel	1,219,347		1,393,169		2,549,565	
Emissions Allowance	4,714		39		5,734	
Operation	1,981,345		1,886,156		1,943,953	
Maintenance	760,694		605,240		738,571	
Depreciation	<u>950,517</u>		<u>945,494</u>		<u>937,001</u>	
Total Operating Expense	<u>6,605,123</u>		<u>7,254,052</u>		<u>8,271,773</u>	
Operating Loss	<u>(1,070,964)</u>		<u>(539,963)</u>		<u>(347,264)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	114,385		109,334		108,693	
Interest Expense	<u>(133)</u>		<u>(257)</u>		<u>(105)</u>	
Total Nonoperating Revenue (Expense)	<u>114,252</u>		<u>109,077</u>		<u>108,588</u>	
Net Loss Before Revenue Adjustment	<u>(956,712)</u>		<u>(430,886)</u>		<u>(238,676)</u>	
Capital Contributions	6,278		---		---	
Revenue Adjustment-Extraordinary O&M	<u>---</u>		<u>---</u>		<u>---</u>	
Change in Net Position	<u>(950,434)</u>		<u>(430,886)</u>		<u>(238,676)</u>	
Beginning Net Position	<u>151,736,672</u>		<u>156,602,799</u>		<u>162,508,579</u>	
Ending Net Position	<u>\$150,786,238</u>		<u>\$156,171,913</u>		<u>\$162,269,903</u>	
Net Loss Before Rev Adj to Op Revenue	(17.3)		(6.4)		(3.0)	
Change in Net Position to Operating Revenue	(17.2)		(6.4)		(3.0)	

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

	<u>Budget</u> <u>Estimate</u>	<u>Avg.</u> <u>Price</u>	<u>This</u> <u>Year</u>	<u>Avg.</u> <u>Price</u>	<u>Last</u> <u>Year</u>	<u>Avg.</u> <u>Price</u>
<u>Sales of Electricity</u>						
Residential	\$9,622,715	0.09661	\$9,362,036	0.09849	\$8,992,221	0.09301
Commercial I	3,265,887	0.09001	3,104,521	0.09015	3,022,089	0.08392
Commercial II	6,720,662	0.06807	6,469,532	0.06810	5,773,142	0.06228
Industrial I	6,199,061	0.05629	6,125,186	0.05762	6,076,199	0.05371
Industrial II	19,761,374	0.04720	19,688,863	0.04733	19,261,188	0.04723
City Enterprise Funds	329,162	0.06240	319,636	0.06735	272,196	0.06280
Water & Communications Utilities	<u>761,579</u>	0.05133	<u>877,506</u>	0.05800	<u>773,710</u>	0.05266
Native System Sales	46,660,440	0.05955	45,947,280	0.05993	44,170,745	0.05771
Wholesale Sales	<u>25,081,168</u>	0.03136	<u>36,639,755</u>	0.04325	<u>30,998,985</u>	0.03199
Energy Sales	<u>71,741,608</u>		<u>82,587,035</u>		<u>75,169,730</u>	
<u>Steam Sales</u>	<u>9,169,476</u>	3.84	<u>7,661,596</u>	3.93	<u>8,923,713</u>	3.66
<u>Other Revenue</u>						
Rail Car Lease	110,400		68,627		215,122	
By-Product Revenue	320,990		387,253		313,454	
Miscellaneous Revenue	<u>529,091</u>		<u>585,171</u>		<u>548,754</u>	
Total Other Revenue	<u>960,481</u>		<u>1,041,051</u>		<u>1,077,330</u>	
Operating Revenue	<u>81,871,565</u>		<u>91,289,682</u>		<u>85,170,773</u>	
<u>Operating Expense</u>						
Purchased Power	21,982,967	0.02695	27,753,749	0.03470	22,615,563	0.02832
Production Fuel	23,217,615		23,290,805		25,335,975	
Emissions Allowance	73,573		80,486		76,745	
Operation	21,447,664		20,074,372		19,660,220	
Maintenance	10,149,910		9,468,685		10,006,544	
Depreciation	<u>10,455,678</u>		<u>10,400,434</u>		<u>10,307,011</u>	
Total Operating Expense	<u>87,327,407</u>		<u>91,068,531</u>		<u>88,002,058</u>	
Operating Income (Loss)	<u>(5,455,842)</u>		<u>221,151</u>		<u>(2,831,285)</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	1,258,434		1,185,281		1,186,733	
Interest Expense	<u>(1,467)</u>		<u>(2,160)</u>		<u>(1,630)</u>	
Total Nonoperating Revenue (Expense)	<u>1,256,967</u>		<u>1,183,121</u>		<u>1,185,103</u>	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(4,198,875)		1,404,272		(1,646,182)	
Capital Contributions	259,056		41,584		62,135	
Revenue Adjustment-Extraordinary O&M	<u>---</u>		<u>---</u>		<u>---</u>	
Change in Net Position	(3,939,819)		1,445,856		(1,584,047)	
Beginning Net Position	<u>154,726,057</u>		<u>154,726,057</u>		<u>163,853,950</u>	
Ending Net Position	<u>\$150,786,238</u>		<u>\$156,171,913</u>		<u>\$162,269,903</u>	
Net Income (Loss) Before Rev Adj to Op Revenue	(5.1)		1.5		(1.9)	
Change in Net Position to Operating Revenue	(4.8)		1.6		(1.9)	

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

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$2,042,488	\$1,031,242
Investments	<u>11,000,000</u>	<u>5,001,160</u>
Total Restricted Current Assets	<u>13,042,488</u>	<u>6,032,402</u>
<u>Unrestricted</u>		
Cash - interest bearing	11,080,095	8,827,521
Investments	13,000,000	14,000,000
Receivables:		
Consumer Accounts	5,385,051	5,177,117
Refined Coal	2,139,440	---
Wholesale	144,943	706,430
Steam Sales	68,448	802,941
Interest	546,792	547,435
Inventories	5,977,055	6,421,175
Fuel	6,441,363	5,189,631
Prepaid Pension	---	257,812
Prepaid Expenses	<u>569,387</u>	<u>533,432</u>
Total Unrestricted Current Assets	<u>45,352,574</u>	<u>42,463,494</u>
Total Current Assets	<u>58,395,062</u>	<u>48,495,896</u>
Property and Equipment:		
At Cost	415,586,456	412,813,279
Less Accumulated Depreciation	<u>330,995,702</u>	<u>321,245,131</u>
Net Property and Equipment	<u>84,590,754</u>	<u>91,568,148</u>
Other Assets:		
Note Receivable - Communications Utility	35,327,000	35,327,000
Note Receivable - Water Utility	1,650,000	400,000
Joint Venture Rights	<u>105,926</u>	<u>107,956</u>
Total Other Assets	<u>37,082,926</u>	<u>35,834,956</u>
 TOTAL ASSETS	 <u><u>\$180,068,742</u></u>	 <u><u>\$175,899,000</u></u>

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2014</u>	<u>2013</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$5,281,326	\$2,412,917
Pension Provision	450,250	---
Health & Dental Insurance Provision	229,100	173,826
Accrued Payroll	341,759	336,529
Accrued Vacation	1,135,925	1,126,111
Accrued Emission Allowance Expense	80,486	62,011
Consumers' Deposits	672,924	595,414
Retained Percentage on Contracts	73,894	---
Accrued Property Taxes	91,868	81,633
Miscellaneous Accrued Expenses	554,727	688,157
Mooring Lease	---	2,967
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	8,912,259	5,479,565
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,359,081	1,638,070
Post-Employment Health Benefit Provision	412,253	298,226
Consumer Advances for Construction	180,370	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	1,951,704	2,116,666
	<hr/>	<hr/>
Deferred Inflows of Resources - Extraordinary O & M	13,032,866	6,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	84,590,754	91,568,148
Restricted	13,042,488	6,032,402
Unrestricted	58,538,671	64,669,353
	<hr/>	<hr/>
Total Net Position	156,171,913	162,269,903
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TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$180,068,742</u>	<u>\$175,899,000</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,021,077	\$45,785,479
MISO sales	1,624,168	37,088,745
Steam sales	115,452	8,655,121
Coal sales	1,814,489	32,567,595
Railcar/facilities leasing	5,200	193,432
By-product sales	143	334,757
Miscellaneous sources	16,351	402,106
Cash paid to/for:		
Suppliers	(943,186)	(120,846,936)
MISO purchases/administration fees	(2,026,466)	(28,025,522)
Coal purchases	(4,263,244)	56,285,652
Employees payroll, taxes and benefits	(1,668,554)	(20,411,111)
Net cash flows from operating activities	<u>(1,304,570)</u>	<u>12,029,318</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(461,307)	(3,943,418)
Loan to Water Utility	---	(1,250,000)
Net cash flows from capital and related financing activities	<u>(461,307)</u>	<u>(5,193,418)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(94,610)
Interest received on investments and note receivable	466	1,287,032
Amortization/accretion of investments	---	(568)
Mark to Market	---	(72)
Net cash flows from investing activities	<u>466</u>	<u>1,191,782</u>
Net increase (decrease) in cash and investments	<u>(1,765,411)</u>	<u>8,027,682</u>
Cash and investments at beginning of period	<u>38,887,994</u>	<u>29,094,901</u>
Cash and investments at end of period	<u><u>\$37,122,583</u></u>	<u><u>\$37,122,583</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
November 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)	(\$539,963)	\$221,151
Noncash items in operating income:		
Depreciation of electric utility plant	945,494	10,400,434
Amortization of joint venture rights	7,998	90,304
Changes in assets and liabilities:		
Consumer accounts receivable	(232,646)	1,375,576
Refined coal	(319,751)	(2,139,440)
Wholesale receivable	(143,001)	896,533
Steam sales receivable	115,452	1,010,142
Inventories	(45,228)	341,553
Fuel	(1,385,681)	(1,372,195)
Prepaid expenses	92,126	70,846
Accounts payable	(88,705)	888,205
Pension provision	225,152	450,250
Health & dental insurance provision	(126,499)	(135,437)
Other post-employment benefit provision	8,229	90,521
Accrued payroll	41,652	(121,074)
Accrued vacation	18,861	42,445
Accrued emission allowance expense	39	9,791
Consumers' deposits	4,884	78,983
Retained percentage	35,978	73,894
Accrued property taxes	54,230	(5,692)
Miscellaneous accrued expenses	26,809	(234,505)
Unearned mooring lease	---	(2,967)
Net cash flows from operating activities	<u>(\$1,304,570)</u>	<u>\$12,029,318</u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,042,488</u>	<u>\$6,032,402</u>
Total Cash and Investments Appropriated for Specific Purposes	<u><u>\$13,042,488</u></u>	<u><u>\$6,032,402</u></u>

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$1,688,506</u>	30.5	<u>\$2,423,954</u>	36.1	<u>\$2,096,949</u>	26.5
Average price per kWh	\$0.0238		\$0.0335		\$0.0290	
<u>Generation</u>						
Operation Supervision	74,807		77,485		78,872	
Fuel:						
Coal	1,127,990		1,330,072		2,463,509	
Fuel Oil	15,842		1,133		1,517	
Gas	9,950		6,143		13,097	
Coal Handling Expense	60,577		48,415		66,157	
Landfill Operation Expense	4,988		7,406		5,285	
Emissions Allowance Expense	4,714		39		5,734	
Steam Expense:						
Boiler	118,109		91,931		145,401	
Pollution Control	47,936		32,543		34,816	
Electric Expense	86,285		92,265		95,618	
Miscellaneous Steam Power Expense	205,772		144,095		185,303	
Maintenance:						
Supervision	81,740		75,972		76,571	
Structures	51,602		59,033		59,982	
Boiler Plant:						
Boiler	135,573		131,285		245,010	
Pollution Control	41,835		28,363		31,235	
Electric Plant	50,147		(16,970)		28,843	
System Control	18,451		16,999		16,008	
Miscellaneous Steam Plant	71,868		73,487		66,632	
Coal Handling Equipment	130,819		52,283		59,669	
System Control and Load Dispatch	30,308		21,940		27,172	
Vacation, Holiday, Sick Leave	135,618		135,381		144,786	
Depreciation	<u>625,409</u>		<u>624,707</u>		<u>622,373</u>	
Total Generation Expense	<u>\$3,130,340</u>	56.6	<u>\$3,034,007</u>	45.2	<u>\$4,473,590</u>	56.5

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$21,982,967</u>	26.9	<u>\$27,753,749</u>	30.4	<u>\$22,615,563</u>	26.6
Average price per kWh	\$0.0269		\$0.0347		\$0.0283	
 <u>Generation</u>						
Operation Supervision	866,327		907,285		873,311	
Fuel:						
Coal	22,075,815		22,034,312		24,283,306	
Fuel Oil	181,786		132,521		158,480	
Gas	148,200		386,551		131,072	
Coal Handling Expense	729,105		687,318		708,506	
Landfill Operation Expense	82,709		50,103		54,611	
Emissions Allowance Expense	73,573		80,486		76,745	
Steam Expense:						
Boiler	1,198,732		1,135,280		1,110,726	
Pollution Control	509,869		422,965		405,723	
Electric Expense	1,049,178		1,023,610		1,016,987	
Miscellaneous Steam Power Expense	2,272,887		1,707,003		1,875,704	
Maintenance:						
Supervision	904,999		924,096		890,675	
Structures	857,542		660,682		660,445	
Boiler Plant:						
Boiler	2,684,149		2,795,208		2,870,142	
Pollution Control	750,821		669,688		746,363	
Electric Plant	696,536		530,348		959,580	
System Control	211,746		202,177		190,664	
Miscellaneous Steam Plant	835,974		748,377		763,978	
Coal Handling Equipment	941,809		964,435		943,764	
System Control and Load Dispatch	332,322		256,781		298,427	
Vacation, Holiday, Sick Leave	989,545		1,091,397		1,062,822	
Depreciation	<u>6,879,495</u>		<u>6,871,777</u>		<u>6,846,103</u>	
 Total Generation Expense	 <u>\$45,273,119</u>	 55.3	 <u>\$44,282,400</u>	 48.5	 <u>\$46,928,134</u>	 55.1

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

	Budget Estimate		This Year		Last Year	
<u>Transmission</u>						
Operation Supervision	\$3,962		\$3,727		\$3,795	
Load Dispatching	52,660		64,717		52,898	
Station Expense	6,269		7,596		2,070	
Overhead Line Expense	68		---		---	
Transmission of Electricity by Others	28,433		29,397		12,677	
Miscellaneous Transmission Expense	10,416		8,296		4,912	
Maintenance:						
Supervision	1,986		1,814		1,837	
Structures	114		---		---	
Station Equipment	6,525		7,078		4,529	
Overhead Lines	10,943		9,640		10,649	
Vacation, Holiday, Sick Leave	10,131		14,865		7,713	
Depreciation	31,041		30,688		30,625	
Tax on Rural Property	5,716		5,642		1,825	
Total Transmission Expense	168,264	3.0	183,460	2.7	133,530	1.7
<u>Distribution</u>						
Operation Supervision	10,704		10,757		10,761	
Load Dispatching	30,776		29,168		32,350	
Station Expense	6,339		3,966		6,331	
Overhead Line Expense	2,957		1,063		1,155	
Vehicle Expense	17,789		12,325		12,457	
Underground Line Expense	3,506		2,179		6,403	
Street Lighting	1,628		4,725		(305)	
Signal Expense	524		---		---	
Meter Expense	7,223		6,993		5,611	
Consumer Installation Expense	615		402		112	
Miscellaneous Distribution Expense	43,998		38,474		40,590	
Maintenance:						
Supervision	9,657		9,757		9,744	
Structures	494		---		---	
Station Equipment	10,342		7,165		10,572	
Overhead Lines	56,464		48,398		30,793	
Underground Lines	8,947		3,747		15,440	
Line Transformers	3,213		11,159		432	
Street Lighting	5,114		13,069		12,436	
Signal System	2,854		835		316	
Meters	2,347		2,641		1,724	
Miscellaneous Distribution Plant	2,318		1,372		3,452	
Vacation, Holiday, Sick Leave	44,107		40,322		39,387	
Depreciation	159,472		158,237		155,502	
Tax on Rural Property	1,708		1,685		545	
Total Distribution Expense	\$433,096	7.8	\$408,439	6.1	\$395,808	5.0

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$43,486		\$47,232		\$44,641	
Load Dispatching	609,775		646,026		584,110	
Station Expense	91,170		140,868		77,378	
Overhead Line Expense	857		3,466		2,912	
Transmission of Electricity by Others	312,767		333,977		143,914	
Miscellaneous Transmission Expense	189,418		83,551		59,152	
Maintenance:						
Supervision	21,638		22,311		21,043	
Structures	10,830		---		---	
Station Equipment	80,408		72,051		62,619	
Overhead Lines	118,060		128,333		118,542	
Vacation, Holiday, Sick Leave	73,758		76,620		76,384	
Depreciation	341,453		337,568		336,875	
Tax on Rural Property	62,876		62,558		55,280	
Total Transmission Expense	<u>1,956,496</u>	2.4	<u>1,954,561</u>	2.1	<u>1,582,850</u>	1.9
<u>Distribution</u>						
Operation Supervision	120,319		131,975		124,931	
Load Dispatching	325,255		339,269		321,228	
Station Expense	79,649		101,877		71,368	
Overhead Line Expense	60,565		21,409		20,468	
Vehicle Expense	195,495		165,701		180,245	
Underground Line Expense	35,384		33,971		38,859	
Street Lighting	18,447		26,026		22,867	
Signal Expense	6,993		2,172		4,682	
Meter Expense	89,589		98,917		87,565	
Consumer Installation Expense	6,948		6,495		6,213	
Miscellaneous Distribution Expense	515,247		567,459		550,992	
Maintenance:						
Supervision	109,285		118,880		112,849	
Structures	15,317		1,498		---	
Station Equipment	156,834		86,818		121,492	
Overhead Lines	628,543		477,068		606,686	
Underground Lines	98,305		96,543		92,831	
Line Transformers	53,250		54,895		53,321	
Street Lighting	57,468		81,796		81,064	
Signal System	29,690		51,198		24,988	
Meters	27,582		25,109		24,250	
Miscellaneous Distribution Plant	25,494		32,457		27,668	
Vacation, Holiday, Sick Leave	317,325		312,918		320,656	
Depreciation	1,754,188		1,740,607		1,710,522	
Tax on Rural Property	18,788		18,679		16,501	
Total Distribution Expense	<u>\$4,745,960</u>	5.8	<u>\$4,593,737</u>	5.0	<u>\$4,622,246</u>	5.4

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$7,702		\$1,774		\$7,619	
Energy Efficiency Rebates	20,115		26,627		3,060	
Electric Ranges/Dryers Maintenance	471		445		849	
Electric Water Heaters Maintenance	169		167		29	
	<hr/>		<hr/>		<hr/>	
Total Customer Service Expense	28,457	0.5	29,013	0.4	11,557	0.1
	<hr/>		<hr/>		<hr/>	
<u>Consumer Accounts</u>						
Supervision	2,849		2,916		2,207	
Meter Reading Expense	9,049		8,400		8,017	
Consumer Records and Collection	31,911		28,045		30,299	
Uncollectible Accounts Expense	4,317		4,317		3,297	
Vacation, Holiday, Sick Leave	6,853		7,176		6,824	
	<hr/>		<hr/>		<hr/>	
Total Consumer Accounts Expense	54,979	1.0	50,854	0.8	50,644	0.6
	<hr/>		<hr/>		<hr/>	
<u>Administrative and General</u>						
Administrative and General Salaries	171,079		142,269		161,820	
Office Supplies and Expenses	17,924		12,476		9,841	
Outside Services Employed	47,237		14,777		13,737	
Property Insurance	59,026		59,470		55,169	
Casualty Ins, Injuries & Damages	41,720		100,682		43,587	
Employee Pensions and Benefits	508,108		529,600		576,691	
Fringe Benefits Charged to Constr.	(24,884)		(24,492)		(22,531)	
Regulatory Commission	8,608		7,143		7,061	
Miscellaneous General Expense	38,084		36,848		40,570	
Maintenance of General Plant	31,771		35,062		23,882	
Maintenance of A/O Center	25,570		33,051		28,815	
Vacation, Holiday, Sick Leave	42,643		45,577		42,552	
Depreciation	134,595		131,862		128,501	
	<hr/>		<hr/>		<hr/>	
Total Administrative and General	1,101,481	19.9	1,124,325	16.7	1,109,695	14.0
	<hr/>		<hr/>		<hr/>	
Total Operating Expense	<u>\$6,605,123</u>		<u>\$7,254,052</u>		<u>\$8,271,773</u>	
	<hr/>		<hr/>		<hr/>	
Percent to Operating Revenue		119.4		108.0		104.4

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$126,334		\$56,634		\$79,554	
Energy Efficiency Rebates	226,271		176,216		112,353	
Electric Ranges/Dryers Maintenance	4,991		4,049		5,971	
Electric Water Heaters Maintenance	<u>1,858</u>		<u>836</u>		<u>809</u>	
Total Customer Service Expense	<u>\$359,454</u>	0.4	<u>\$237,735</u>	0.3	<u>\$198,687</u>	0.2
<u>Consumer Accounts</u>						
Supervision	30,766		32,851		32,215	
Meter Reading Expense	97,917		104,839		92,028	
Consumer Records and Collection	355,993		357,201		363,225	
Uncollectible Accounts Expense	47,482		47,482		36,267	
Vacation, Holiday, Sick Leave	<u>48,873</u>		<u>56,481</u>		<u>50,252</u>	
Total Consumer Accounts Expense	<u>581,031</u>	0.7	<u>598,854</u>	0.7	<u>573,987</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	1,850,647		1,820,542		1,924,107	
Office Supplies and Expenses	224,348		164,493		165,754	
Outside Services Employed	759,375		408,204		386,874	
Property Insurance	637,367		641,266		581,212	
Casualty Ins, Injuries & Damages	464,518		459,577		327,509	
Employee Pensions and Benefits	5,631,892		5,484,519		5,550,772	
Fringe Benefits Charged to Constr.	(297,282)		(288,883)		(228,792)	
Regulatory Commission	94,692		76,730		60,937	
Miscellaneous General Expense	442,468		397,042		354,571	
Maintenance of General Plant	348,968		334,759		275,820	
Maintenance of A/O Center	484,662		389,958		357,760	
Vacation, Holiday, Sick Leave	306,183		308,806		310,556	
Depreciation	<u>1,480,542</u>		<u>1,450,482</u>		<u>1,413,511</u>	
Total Administrative and General	<u>12,428,380</u>	15.2	<u>11,647,495</u>	12.8	<u>11,480,591</u>	13.5
Total Operating Expense	<u><u>\$87,327,407</u></u>		<u><u>\$91,068,531</u></u>		<u><u>\$88,002,058</u></u>	
Percent to Operating Revenue		106.7		99.8		103.3

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

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

	<u>Current Month</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.946	\$1.930
Per Net MW Generated	\$24.89	\$21.65
Net Peak Monthly Demand-KW	118,350	116,300
Date of Peak	11/17	11/26
Hour of Peak	1800	1900
	<u>Calendar Year-To-Date</u>	
	<u>2014</u>	<u>2013</u>
Per Million Btu.	\$1.878	\$1.841
Per Net MW Generated	\$22.55	\$20.66
Net Peak Monthly Demand-KW	133,330	138,170
Date of Peak	9/4	9/9
Hour of Peak	1600	1700
Average Temperature	30.9°	36.3°
<u>Services</u>	<u>2014</u>	<u>2013</u>
Residential	9,787	9,712
Commercial I	1,368	1,363
Commercial II	119	116
Industrial I	10	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	35	33
Total	<u>11,343</u>	<u>11,258</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - November 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>39,217,680</u>		<u>56,079,769</u>		<u>96,994,731</u>	
<u>Wholesale Sales</u>	<u>\$1,058,877</u>	<u>\$0.02700</u>	<u>\$2,463,124</u>	<u>\$0.04392</u>	<u>\$3,105,301</u>	<u>\$0.03202</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	805,459	0.02054	1,333,080	0.02377	2,012,864	0.02075
Emissions:						
SO ² Allowances ^{fn1}	246	0.00001	2	0.00000	26	0.00000
NO _x Allowances ^{fn2}	3,163	0.00008	738	0.00001	5,674	0.00006
Other ^{fn3}	<u>186,673</u>	<u>0.00476</u>	<u>184,962</u>	<u>0.00330</u>	<u>187,258</u>	<u>0.00193</u>
Total Variable Costs	<u>995,541</u>	<u>0.02539</u>	<u>1,518,782</u>	<u>0.02708</u>	<u>2,205,822</u>	<u>0.02274</u>
Gross Margin	<u>\$63,336</u>	<u>\$0.00161</u>	<u>\$944,342</u>	<u>\$0.01684</u>	<u>\$899,479</u>	<u>\$0.00927</u>
Percent Gross Margin	6.0%		38.3%		29.0%	

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>799,882,386</u>		<u>847,200,434</u>		<u>969,145,229</u>	
<u>Wholesale Sales</u>	<u>\$25,081,168</u>	<u>\$0.03136</u>	<u>\$36,639,755</u>	<u>\$0.04325</u>	<u>\$30,998,985</u>	<u>\$0.03199</u>
<u>Variable Costs</u>						
Fuel (Coal, Gas & Fuel Oil)	16,389,508	0.02049	18,177,166	0.02146	19,086,330	0.01969
Emissions:						
SO ² Allowances ^{fn1}	3,880	0.00000	535	0.00000	470	0.00000
NO _x Allowances ^{fn2}	58,480	0.00007	157,031	0.00019	70,636	0.00007
Other ^{fn3}	<u>2,053,403</u>	<u>0.00257</u>	<u>2,043,137</u>	<u>0.00241</u>	<u>2,078,843</u>	<u>0.00215</u>
Total Variable Costs	<u>18,505,271</u>	<u>0.02313</u>	<u>20,377,869</u>	<u>0.02405</u>	<u>21,236,279</u>	<u>0.02191</u>
Gross Margin	<u>\$6,575,897</u>	<u>\$0.00822</u>	<u>\$16,261,886</u>	<u>\$0.01919</u>	<u>\$9,762,706</u>	<u>\$0.01007</u>
Percent Gross Margin	26.2%		44.4%		31.5%	

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	\$0.80	\$0.75
YTD SO ²	2.00	0.83	0.75
fn2 NO _x annual	42.50	15.00	45.00
NO _x seasonal	10.00	10.00	21.50
fn3 YTD NO _x annual	42.50	56.74	42.88
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.