

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

February 2015

**Muscatine Power and Water
Electric Utility**

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Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - February 2015

	<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	100,399,891	2.5	102,959,838	(20.8)	129,956,793
Less: Plant Use	<u>9,895,536</u>	12.2	<u>11,101,736</u>	(7.5)	<u>12,006,153</u>
Net Generation/Wholesale Sales	<u>90,504,355</u>	1.5	<u>91,858,102</u>	(22.1)	<u>117,950,640</u>
<u>Net Capacity Factors</u>					
Unit 9	65.00	4.6	67.99	(15.2)	80.21
Unit 8/8A	51.06	(11.0)	45.42	(37.2)	72.32
Unit 7	30.00	(13.3)	26.01	(55.3)	58.19
Total Plant	58.61	1.2	59.32	(22.3)	76.36
<u>KWH Distribution</u>					
Residential	8,534,000	2.5	8,746,623	(10.1)	9,726,948
Commercial I	3,146,500	(0.2)	3,141,119	(11.3)	3,542,634
Commercial II	8,096,000	9.1	8,830,300	9.2	8,086,700
Industrial I	8,474,928	0.8	8,544,700	10.4	7,739,540
Industrial II	36,900,000	(0.9)	36,570,844	4.5	34,984,136
City Enterprise Funds	410,970	11.8	459,418	2.5	448,066
Water & Communications Utilities	<u>1,246,041</u>	8.2	<u>1,348,672</u>	3.9	<u>1,298,277</u>
Native System Sales	66,808,439	1.2	67,641,676	2.8	65,826,301
City Lighting	164,000	(8.5)	150,071	(5.4)	158,647
City Buildings	520,500	18.1	614,761	(11.0)	690,666
Offline Power Plant Usage	201,145	(81.6)	37,032	(65.5)	107,321
Losses & Cycle Billing	<u>2,010,235</u>	(5.3)	<u>1,904,399</u>	29.6	<u>1,469,803</u>
Total Native System KWH Distributed/Purchased Power	<u>69,704,319</u>	0.9	<u>70,347,939</u>	3.1	<u>68,252,738</u>
<u>STEAM SALES - 1000 lbs</u>	<u>238,262</u>	(2.8)	<u>231,550</u>	(1.1)	<u>234,164</u>

**Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - February 2015**

	<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	215,135,479	(4.9)	204,549,804	(20.6)	257,639,519
Less: Plant Use	<u>20,968,116</u>	6.3	<u>22,280,724</u>	(9.9)	<u>24,717,016</u>
Net Generation/Wholesale Sales	<u>194,167,363</u>	(6.1)	<u>182,269,080</u>	(21.7)	<u>232,922,503</u>
<u>Net Capacity Factors</u>					
Unit 9	65.00	3.2	67.10	(9.3)	73.99
Unit 8/8A	53.70	(29.3)	37.98	(48.3)	73.50
Unit 7	35.25	(65.0)	12.34	(76.4)	52.34
Total Plant	59.67	(6.4)	55.86	(22.0)	71.59
<u>KWH Distribution</u>					
Residential	18,016,000	4.0	18,728,026	(9.2)	20,628,244
Commercial I	6,642,500	(2.5)	6,477,426	(10.1)	7,203,760
Commercial II	17,092,000	3.9	17,750,460	4.3	17,022,760
Industrial I	17,549,048	2.6	18,003,400	9.8	16,402,140
Industrial II	74,700,000	2.2	76,342,594	8.1	70,597,180
City Enterprise Funds	859,848	13.6	976,462	4.8	931,622
Water & Communications Utilities	<u>2,640,291</u>	0.5	<u>2,652,632</u>	(1.2)	<u>2,685,426</u>
Native System Sales	137,499,687	2.5	140,931,000	4.0	135,471,132
City Lighting	333,000	(8.7)	304,017	(5.6)	322,021
City Buildings	1,056,500	21.0	1,278,313	(10.9)	1,435,472
Offline Power Plant Usage	318,707	(59.6)	128,714	(40.7)	217,076
Losses & Cycle Billing	<u>4,138,263</u>	(20.0)	<u>3,311,304</u>	13.5	<u>2,916,988</u>
Total Native System KWH Distributed/Purchased Power	<u>143,346,157</u>	1.8	<u>145,953,348</u>	4.0	<u>140,362,689</u>
<u>STEAM SALES - 1000 lbs</u>	<u>504,925</u>	(1.8)	<u>495,652</u>	0.7	<u>492,325</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - February 2015

	<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	\$859,300	0.10069	\$919,113	0.10508	\$917,983	0.09438
Commercial I	295,520	0.09392	305,596	0.09729	306,928	0.08664
Commercial II	588,195	0.07265	670,788	0.07596	540,448	0.06683
Industrial I	508,221	0.05997	546,467	0.06395	466,731	0.06030
Industrial II	1,752,970	0.04751	1,914,637	0.05235	1,706,067	0.04877
City Enterprise Funds	28,491	0.06933	33,614	0.07317	28,651	0.06394
Water & Communication Utilities	70,986	0.05697	87,112	0.06459	72,868	0.05613
	<u>4,103,683</u>	0.06142	<u>4,477,327</u>	0.06619	<u>4,039,676</u>	0.06137
Wholesale Sales	3,457,266	0.03820	2,965,967	0.03229	6,674,094	0.05658
	<u>7,560,949</u>		<u>7,443,294</u>		<u>10,713,770</u>	
<u>Steam Sales</u>	<u>981,643</u>	4.12	<u>958,169</u>	4.14	<u>894,944</u>	3.82
<u>Other Revenue</u>						
Rail Car Lease	---		---		29,670	
By-Product Revenue	28,350		1,572		4,360	
Miscellaneous Revenue	52,892		39,755		39,207	
	<u>81,242</u>		<u>41,327</u>		<u>73,237</u>	
Operating Revenue	<u>8,623,834</u>		<u>8,442,790</u>		<u>11,681,951</u>	
<u>Operating Expense</u>						
Purchased Power	2,383,888	0.03420	1,994,078	0.02835	3,553,564	0.05206
Production Fuel	2,620,225		2,565,860		3,102,422	
Emissions Allowance	15,275		32,486		6,981	
Operation	2,062,550		1,907,589		1,757,218	
Maintenance	794,070		577,543		802,011	
Depreciation	956,361		963,852		945,494	
	<u>8,832,369</u>		<u>8,041,408</u>		<u>10,167,690</u>	
Total Operating Expense	<u>8,832,369</u>		<u>8,041,408</u>		<u>10,167,690</u>	
Operating Income (Loss)	<u>(208,535)</u>		<u>401,382</u>		<u>1,514,261</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	15,131		7,585		105,826	
Interest Expense	(167)		(98)		(71)	
	<u>14,964</u>		<u>7,487</u>		<u>105,755</u>	
Total Nonoperating Revenue (Expense)	<u>14,964</u>		<u>7,487</u>		<u>105,755</u>	
Net Income (Loss) Before Revenue Adjustment	(193,571)		408,869		1,620,016	
Capital Contributions	---		---		---	
Change in Net Position	(193,571)		408,869		1,620,016	
Beginning Net Position	131,190,209		131,250,317		156,136,549	
Ending Net Position	\$130,996,638		\$131,659,186		\$157,756,565	
Net Loss Before Rev Adj to Op Revenue	(2.2)		4.8		13.9	
Change in Net Position to Operating Revenue	(2.2)		4.8		13.9	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - February 2015

	<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	\$1,795,583	0.09967	\$1,938,407	0.10350	\$1,932,631	0.09369
Commercial I	621,167	0.09351	625,594	0.09658	623,264	0.08652
Commercial II	1,217,744	0.07125	1,327,723	0.07480	1,118,329	0.06570
Industrial I	1,038,127	0.05916	1,128,400	0.06268	963,436	0.05874
Industrial II	3,534,468	0.04732	3,900,427	0.05109	3,410,548	0.04831
City Enterprise Funds	57,330	0.06667	69,045	0.07071	58,386	0.06267
Water & Communications Utilities	<u>150,290</u>	<u>0.05692</u>	<u>171,984</u>	<u>0.06484</u>	<u>149,953</u>	<u>0.05584</u>
Native System Sales	8,414,709	0.06120	9,161,580	0.06501	8,256,547	0.06095
Wholesale Sales	<u>7,095,838</u>	<u>0.03654</u>	<u>5,513,516</u>	<u>0.03025</u>	<u>12,709,966</u>	<u>0.05457</u>
Energy Sales	<u>15,510,547</u>		<u>14,675,096</u>		<u>20,966,513</u>	
<u>Steam Sales</u>	<u>2,067,127</u>	4.09	<u>2,059,217</u>	4.15	<u>1,880,019</u>	3.82
<u>Other Revenue</u>						
Rail Car Lease	---		---		50,439	
By-Product Revenue	59,800		4,975		6,925	
Miscellaneous Revenue	<u>105,783</u>		<u>82,736</u>		<u>80,059</u>	
Total Other Revenue	<u>165,583</u>		<u>87,711</u>		<u>137,423</u>	
Operating Revenue	<u>17,743,257</u>		<u>16,822,024</u>		<u>22,983,955</u>	
<u>Operating Expense</u>						
Purchased Power	4,585,779	0.03199	3,935,743	0.02697	6,780,686	0.04831
Production Fuel	5,540,781		5,093,212		6,212,010	
Emissions Allowance	32,422		73,833		14,813	
Operation	4,138,250		3,835,742		3,684,693	
Maintenance	1,524,770		1,257,788		1,582,594	
Depreciation	<u>1,912,723</u>		<u>1,927,702</u>		<u>1,890,988</u>	
Total Operating Expense	<u>17,734,725</u>		<u>16,124,020</u>		<u>20,165,784</u>	
Operating Income	<u>8,532</u>		<u>698,004</u>		<u>2,818,171</u>	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	43,601		16,545		212,841	
Interest Expense	<u>(333)</u>		<u>(201)</u>		<u>(504)</u>	
Total Nonoperating Revenue (Expense)	<u>43,268</u>		<u>16,344</u>		<u>212,337</u>	
Net Income Before Revenue Adjustment and Capital Contributions	51,800		714,348		3,030,508	
Capital Contributions	---		---		---	
Revenue Adjustment-Extraordinary O&M	<u>(25,327,000)</u>		<u>(25,327,000)</u>		<u>---</u>	
Change in Net Position	(25,275,200)		(24,612,652)		3,030,508	
Beginning Net Position	<u>156,271,838</u>		<u>156,271,838</u>		<u>154,726,057</u>	
Ending Net Position	<u>\$130,996,638</u>		<u>\$131,659,186</u>		<u>\$157,756,565</u>	
Net Income (Loss) Before Rev Adj to Op Revenue	0.3		4.3		13.2	
Change in Net Position to Operating Revenue	(142.5)		(146.3)		13.2	

Muscatine Power and Water - Electric Utility
Statements of Net Position
February 2015

ASSETS

	<u>2015</u>	<u>2014</u>
Current Assets:		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$14,895,589	\$18,114,269
Investments	9,004,815	3,500,000
Receivables:		
Consumer Accounts	5,609,700	5,200,986
Refined Coal	3,477,635	4,197,150
Wholesale	851,799	2,099,333
Steam Sales	999,709	963,015
Interest	23,661	220,919
Inventories	5,916,981	6,118,507
Fuel	5,852,068	2,528,600
Prepaid Expenses	676,023	644,881
	<hr/>	<hr/>
Total Unrestricted Current Assets	47,307,980	43,587,660
	<hr/>	<hr/>
<u>Restricted Assets</u>		
Cash - interest bearing	9,056,727	8,036,642
Investments	4,001,412	5,000,520
	<hr/>	<hr/>
Total Restricted Current Assets	13,058,139	13,037,162
	<hr/>	<hr/>
Total Current Assets	60,366,119	56,624,822
	<hr/>	<hr/>
Property and Equipment:		
At Cost	415,654,683	412,434,080
Less Accumulated Depreciation	332,923,469	323,149,225
	<hr/>	<hr/>
Net Property and Equipment	82,731,214	89,284,855
	<hr/>	<hr/>
Other Assets:		
Note Receivable - Communications Utility	10,000,000	35,327,000
Note Receivable - Water Utility	2,400,000	650,000
Joint Venture Rights	105,815	107,322
	<hr/>	<hr/>
Total Other Assets	12,505,815	36,084,322
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$155,603,148</u>	<u>\$181,993,999</u>

Muscatine Power and Water - Electric Utility
Statements of Net Position
February 2015

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2015</u>	<u>2014</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$5,110,585	\$5,395,327
Pension Provision	352,387	357,092
Health & Dental Insurance Provision	289,930	229,100
Accrued Payroll	620,443	610,654
Accrued Vacation	1,189,173	1,149,285
Accrued Emission Allowance Expense	73,042	85,509
Consumers' Deposits	689,556	607,366
Retained Percentage on Contracts	73,894	---
Accrued Property Taxes	117,236	111,436
Miscellaneous Accrued Expenses	585,927	774,710
Mooring Lease	---	2,967
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	9,102,173	9,323,446
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,137,467	1,362,561
Post-Employment Health Benefit Provision	436,941	338,191
Consumer Advances for Construction	234,515	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	1,808,923	1,881,122
	<hr/>	<hr/>
Deferred Inflows of Resources - Extraordinary O & M	13,032,866	13,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	82,731,214	89,284,855
Restricted	13,058,139	13,037,162
Unrestricted	35,869,833	55,434,548
	<hr/>	<hr/>
Total Net Position	131,659,186	157,756,565
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$155,603,148</u>	<u>\$181,993,999</u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
February 2015

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,524,241	\$8,769,542
MISO sales	2,260,999	4,842,827
Steam sales	1,060,204	2,082,823
Coal sales	3,879,570	8,575,420
Railcar/facilities leasing	5,200	10,400
By-product sales	---	90,413
Miscellaneous sources	200,311	237,530
Cash paid to/for:		
Suppliers	(455,831)	(1,120,945)
MISO purchases/administration fees	(1,754,597)	(3,555,985)
Coal purchases	(6,765,783)	(13,764,022)
Employees payroll, taxes and benefits	(1,665,172)	(3,444,363)
Net cash flows from operating activities	<u>1,289,142</u>	<u>2,723,640</u>
Cash flows from noncapital financing activities:		
Interest received on notes receivable from water & communications utilities	---	625,577
Loan to Water Utility	---	(500,000)
Net cash flows from noncapital financing activities	<u>---</u>	<u>125,577</u>
Cash flows from capital financing activities:		
Capital expenditures, net	<u>(396,759)</u>	<u>(719,972)</u>
Net cash flows from capital and related financing activities	<u>(396,759)</u>	<u>(719,972)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(22,410)
Interest received on investments	2,632	17,242
Net cash flows from investing activities	<u>2,632</u>	<u>(5,168)</u>
Net increase in cash and investments	<u>895,015</u>	<u>2,124,077</u>
Cash and investments at beginning of period	<u>36,063,528</u>	<u>34,834,466</u>
Cash and investments at end of period	<u><u>\$36,958,543</u></u>	<u><u>\$36,958,543</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
February 2015

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$401,382	\$698,004
Noncash items in operating income:		
Depreciation of electric utility plant	963,852	1,927,702
Amortization of joint venture rights	7,498	16,091
Changes in assets and liabilities:		
Consumer accounts receivable	228,594	(86,318)
Refined coal	407,135	1,223,415
Wholesale receivable	(453,938)	175,984
Steam sales receivable	158,934	80,133
Inventories	2,781	(9,284)
Fuel	1,160,928	873,616
Prepaid expenses	135,562	(168,109)
Accounts payable	(1,898,497)	(2,371,073)
Pension provision	176,194	352,387
Health & dental insurance provision	(73,568)	(274,486)
Other post-employment benefit provision	8,230	16,459
Accrued payroll	(3,328)	112,573
Accrued vacation	22,532	58,350
Accrued emission allowance expense	(36,903)	4,444
Consumers' deposits	2,688	9,122
Accrued property taxes	8,341	16,682
Miscellaneous accrued expenses	70,725	67,948
	<u>\$1,289,142</u>	<u>\$2,723,640</u>
Net cash flows from operating activities	<u>\$1,289,142</u>	<u>\$2,723,640</u>

**Muscatine Power and Water - Electric Utility
Funds Appropriated for Specific Purposes
February 2015**

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,058,139</u>	<u>\$13,037,162</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$13,058,139</u>	<u>\$13,037,162</u>

**Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - February 2015**

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$2,383,888</u>	27.6	<u>\$1,994,078</u>	23.6	<u>\$3,553,564</u>	30.4
Average price per kWh	\$0.0342		\$0.0283		\$0.0521	
<u>Generation</u>						
Operation Supervision	85,329		73,420		80,830	
Fuel:						
Coal	2,506,168		2,489,671		2,961,899	
Fuel Oil	17,500		126		13,563	
Gas	22,000		26,573		52,790	
Coal Handling Expense	72,401		48,031		73,284	
Landfill Operation Expense	2,156		1,459		886	
Emissions Allowance Expense	15,275		32,486		6,981	
Steam Expense:						
Boiler	102,102		88,172		85,040	
Pollution Control	56,874		21,039		30,090	
Electric Expense	99,656		89,476		86,765	
Miscellaneous Steam Power Expense	277,064		217,800		139,939	
Maintenance:						
Supervision	84,655		87,029		82,489	
Structures	51,900		36,557		43,986	
Boiler Plant:						
Boiler	206,155		11,646		187,483	
Pollution Control	58,563		58,873		59,777	
Electric Plant	37,585		36,902		43,176	
System Control	20,133		17,967		25,738	
Miscellaneous Steam Plant	88,062		76,607		78,667	
Coal Handling Equipment	62,664		54,886		107,730	
System Control and Load Dispatch	29,200		30,916		23,343	
Vacation, Holiday, Sick Leave	75,845		83,571		83,336	
Depreciation	<u>626,277</u>		<u>636,060</u>		<u>624,707</u>	
Total Generation Expense	<u>\$4,597,564</u>	53.3	<u>\$4,219,267</u>	50.0	<u>\$4,892,499</u>	41.9

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - February 2015

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
	<u>Estimate</u>					
<u>Purchased Power</u>	<u>\$4,585,779</u>	25.8	<u>\$3,935,743</u>	23.4	<u>\$6,780,686</u>	29.5
Average price per kWh	\$0.0320		\$0.0270		\$0.0483	
<u>Generation</u>						
Operation Supervision	173,035		158,038		163,349	
Fuel:						
Coal	5,307,309		4,923,145		5,911,973	
Fuel Oil	35,000		2,982		31,944	
Gas	44,500		52,129		110,563	
Coal Handling Expense	150,159		110,725		153,909	
Landfill Operation Expense	3,813		4,231		3,621	
Emissions Allowance Expense	32,422		73,833		14,813	
Steam Expense:						
Boiler	207,286		191,507		195,274	
Pollution Control	114,853		52,950		65,223	
Electric Expense	204,220		187,022		182,657	
Miscellaneous Steam Power Expense	483,103		374,304		282,032	
Maintenance:						
Supervision	169,633		178,209		172,030	
Structures	104,543		100,115		92,823	
Boiler Plant:						
Boiler	342,822		100,510		342,966	
Pollution Control	119,966		89,127		160,952	
Electric Plant	75,570		55,274		88,846	
System Control	41,641		33,084		44,078	
Miscellaneous Steam Plant	158,184		153,577		162,250	
Coal Handling Equipment	124,366		111,257		148,091	
System Control and Load Dispatch	62,907		63,116		52,304	
Vacation, Holiday, Sick Leave	185,737		207,737		207,846	
Depreciation	<u>1,252,555</u>		<u>1,272,120</u>		<u>1,249,414</u>	
Total Generation Expense	<u>\$9,393,624</u>	52.9	<u>\$8,494,992</u>	50.5	<u>\$9,836,958</u>	42.8

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - February 2015

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$4,662		\$4,705		\$4,505	
Load Dispatching	55,940		65,463		49,664	
Station Expense	6,842		13,032		16,121	
Overhead Line Expense	142		765		1,360	
Transmission of Electricity by Others	44,469		48,329		26,628	
Miscellaneous Transmission Expense	31,749		7,571		4,283	
Maintenance:						
Supervision	2,555		2,347		2,000	
Structures	31		---		---	
Station Equipment	8,328		4,465		5,232	
Overhead Lines	12,708		46,544		13,879	
Vacation, Holiday, Sick Leave	6,255		6,119		4,604	
Depreciation	30,810		30,688		30,688	
Tax on Rural Property	5,642		5,642		5,642	
	<hr/>		<hr/>		<hr/>	
Total Transmission Expense	210,133	2.4	235,670	2.8	164,606	1.4
<u>Distribution</u>						
Operation Supervision	11,018		11,214		11,790	
Load Dispatching	29,504		29,168		27,939	
Station Expense	6,521		7,763		9,998	
Overhead Line Expense	5,555		993		1,550	
Vehicle Expense	18,246		12,119		13,726	
Underground Line Expense	4,113		2,077		974	
Street Lighting	2,956		2,090		3,021	
Signal Expense	601		---		460	
Meter Expense	9,119		7,888		7,889	
Consumer Installation Expense	562		84		177	
Miscellaneous Distribution Expense	51,386		64,890		51,371	
Maintenance:						
Supervision	9,925		9,528		10,591	
Structures	462		---		---	
Station Equipment	10,295		6,805		7,736	
Overhead Lines	45,049		56,709		48,698	
Underground Lines	11,612		4,177		10,400	
Line Transformers	3,379		2,727		3,246	
Street Lighting	6,360		6,736		3,529	
Signal System	2,285		2,293		1,055	
Meters	1,855		2,547		2,970	
Miscellaneous Distribution Plant	2,500		1,690		2,390	
Vacation, Holiday, Sick Leave	23,522		24,678		23,223	
Depreciation	164,368		163,755		158,237	
Tax on Rural Property	1,685		1,685		1,685	
	<hr/>		<hr/>		<hr/>	
Total Distribution Expense	\$422,878	4.9	\$421,616	5.0	\$402,655	3.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - February 2015

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$9,325		\$9,342		\$8,890	
Load Dispatching	115,479		125,624		105,374	
Station Expense	16,042		22,280		34,093	
Overhead Line Expense	142		765		1,466	
Transmission of Electricity by Others	88,939		102,065		55,182	
Miscellaneous Transmission Expense	45,835		15,202		8,748	
Maintenance:						
Supervision	5,111		4,604		4,119	
Structures	156		---		---	
Station Equipment	16,418		7,374		12,937	
Overhead Lines	26,040		108,690		31,962	
Vacation, Holiday, Sick Leave	15,095		14,037		11,231	
Depreciation	61,620		61,375		61,376	
Tax on Rural Property	11,285		11,285		11,284	
	<u>411,487</u>	2.3	<u>482,643</u>	2.9	<u>346,662</u>	1.5
<u>Distribution</u>						
Operation Supervision	22,624		23,201		24,578	
Load Dispatching	59,430		62,699		57,861	
Station Expense	16,445		14,576		21,775	
Overhead Line Expense	10,609		2,492		3,694	
Vehicle Expense	36,479		24,639		33,562	
Underground Line Expense	7,788		4,246		2,307	
Street Lighting	5,911		7,561		6,839	
Signal Expense	1,302		---		989	
Meter Expense	18,865		14,390		18,051	
Consumer Installation Expense	1,223		651		1,474	
Miscellaneous Distribution Expense	105,744		117,481		105,523	
Maintenance:						
Supervision	20,308		20,049		21,888	
Structures	892		---		---	
Station Equipment	22,040		16,384		16,125	
Overhead Lines	98,373		118,269		109,104	
Underground Lines	24,588		7,022		17,189	
Line Transformers	7,174		8,204		5,015	
Street Lighting	13,920		10,428		8,423	
Signal System	5,354		7,425		2,028	
Meters	4,247		4,780		5,603	
Miscellaneous Distribution Plant	5,000		3,989		4,069	
Vacation, Holiday, Sick Leave	58,035		61,373		58,584	
Depreciation	328,736		327,509		316,474	
Tax on Rural Property	3,371		3,371		3,370	
	<u>\$878,458</u>	5.0	<u>\$860,739</u>	5.1	<u>\$844,525</u>	3.7

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - February 2015

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$11,089		\$3,960		\$3,126	
Energy Efficiency Rebates	19,109		1,809		4,414	
Electric Ranges/Dryers Maintenance	409		213		203	
Electric Water Heaters Maintenance	<u>146</u>		<u>87</u>		<u>107</u>	
Total Customer Service Expense	<u>30,753</u>	0.4	<u>6,069</u>	0.1	<u>7,850</u>	0.1
<u>Consumer Accounts</u>						
Supervision	2,996		3,078		2,996	
Meter Reading Expense	9,197		10,048		9,857	
Consumer Records and Collection	35,556		27,235		30,024	
Uncollectible Accounts Expense	4,565		4,565		4,317	
Vacation, Holiday, Sick Leave	<u>3,645</u>		<u>4,241</u>		<u>3,794</u>	
Total Consumer Accounts Expense	<u>55,959</u>	0.6	<u>49,167</u>	0.6	<u>50,988</u>	0.4
<u>Administrative and General</u>						
Administrative and General Salaries	173,183		157,243		171,719	
Office Supplies and Expenses	15,976		10,342		12,040	
Outside Services Employed	58,130		52,575		86,385	
Property Insurance	59,293		59,470		55,169	
Casualty Ins, Injuries & Damages	41,551		106,136		40,355	
Employee Pensions and Benefits	522,978		502,110		502,320	
Fringe Benefits Charged to Constr.	(24,824)		(12,550)		(15,074)	
Regulatory Commission	7,311		6,893		6,797	
Miscellaneous General Expense	54,241		28,187		22,194	
Maintenance of General Plant	32,511		20,414		28,795	
Maintenance of A/O Center	34,498		30,094		32,444	
Vacation, Holiday, Sick Leave	21,440		21,278		20,522	
Depreciation	<u>134,906</u>		<u>133,349</u>		<u>131,862</u>	
Total Administrative and General	<u>1,131,194</u>	13.1	<u>1,115,541</u>	13.2	<u>1,095,528</u>	9.4
Total Operating Expense	<u>\$8,832,369</u>		<u>\$8,041,408</u>		<u>\$10,167,690</u>	
Percent to Operating Revenue		102.4		95.2		87.0

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - February 2015

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$21,429		\$12,244		\$7,485	
Energy Efficiency Rebates	38,215		10,144		14,550	
Electric Ranges/Dryers Maintenance	918		524		771	
Electric Water Heaters Maintenance	392		205		176	
	<u>\$60,954</u>		<u>\$23,117</u>		<u>\$22,982</u>	
Total Customer Service Expense		0.3		0.1		0.1
<u>Consumer Accounts</u>						
Supervision	5,945		6,237		6,306	
Meter Reading Expense	18,335		20,702		21,162	
Consumer Records and Collection	70,964		57,229		61,279	
Uncollectible Accounts Expense	9,129		9,129		8,633	
Vacation, Holiday, Sick Leave	9,040		9,673		9,902	
	<u>113,413</u>		<u>102,970</u>		<u>107,282</u>	
Total Consumer Accounts Expense		0.6		0.6		0.5
<u>Administrative and General</u>						
Administrative and General Salaries	346,381		328,304		361,837	
Office Supplies and Expenses	35,996		26,694		32,387	
Outside Services Employed	114,772		94,602		125,465	
Property Insurance	118,586		118,940		110,338	
Casualty Ins, Injuries & Damages	84,502		152,606		81,510	
Employee Pensions and Benefits	1,057,924		1,021,177		1,027,115	
Fringe Benefits Charged to Constr.	(45,906)		(28,014)		(34,535)	
Regulatory Commission	14,621		14,178		13,885	
Miscellaneous General Expense	102,920		56,624		59,744	
Maintenance of General Plant	71,160		58,429		65,937	
Maintenance of A/O Center	67,264		60,988		66,159	
Vacation, Holiday, Sick Leave	52,978		52,590		53,123	
Depreciation	269,812		266,698		263,724	
	<u>2,291,010</u>		<u>2,223,816</u>		<u>2,226,689</u>	
Total Administrative and General		12.9		13.2		9.7
	<u>\$17,734,725</u>		<u>\$16,124,020</u>		<u>\$20,165,784</u>	
Total Operating Expense						
Percent to Operating Revenue		100.0		95.9		87.7

**Muscatine Power and Water - Electric Utility
Statistical Data
February 2015**

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

	<u>Current Month</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.955	\$1.873
Per Net MW Generated	\$22.09	\$21.92
Net Peak Monthly Demand-KW	119,630	115,760
Date of Peak	2/12	2/10
Hour of Peak	900	800

	<u>Calendar Year-To-Date</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.954	\$1.879
Per Net MW Generated	\$21.64	\$21.96
Net Peak Monthly Demand-KW	119,630	115,760
Date of Peak	2/12	2/10
Hour of Peak	900	800

Average Temperature	12°	12.8°
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<u>Services</u>	<u>2015</u>	<u>2014</u>
Residential	9,789	9,747
Commercial I	1,362	1,365
Commercial II	120	117
Industrial I	9	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	35	33
Total	<u>11,339</u>	<u>11,296</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - February 2015

	<u>Modified Budget</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
Wholesale kWh Sales	<u>90,504,355</u>		<u>91,858,102</u>		<u>117,950,640</u>	
Wholesale Sales	<u>\$3,457,266</u>	<u>\$0.03820</u>	<u>\$2,965,967</u>	<u>\$0.03229</u>	<u>\$6,674,094</u>	<u>\$0.05658</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	1,965,535	0.02172	1,971,158	0.02146	2,452,633	0.02079
Emissions:						
SO ² Allowances-ARP ^{fn1}	215	0.00000	40	0.00000	---	---
SO ² Allowances-CASPR ^{fn2}	---	---	4,943	0.00005	---	---
SO ² Allowances-CAIR ^{fn3}	151	0.00000	---	---	69	0.00000
NO _x Allowances ^{fn4}	7,094	0.00008	19,779	0.00022	8,347	0.00007
Other ^{fn5}	<u>193,507</u>	<u>0.00214</u>	<u>193,507</u>	<u>0.00211</u>	<u>186,673</u>	<u>0.00158</u>
Total Variable Costs	<u>2,166,502</u>	<u>0.02394</u>	<u>2,189,427</u>	<u>0.02383</u>	<u>2,647,722</u>	<u>0.02245</u>
Gross Margin	<u>\$1,290,764</u>	<u>\$0.01426</u>	<u>\$776,540</u>	<u>\$0.00845</u>	<u>\$4,026,372</u>	<u>\$0.03414</u>
Percent Gross Margin	37.3%		26.2%		60.3%	

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>
Wholesale kWh Sales	<u>194,167,363</u>		<u>182,269,080</u>		<u>232,922,503</u>	
Wholesale Sales	<u>\$7,095,838</u>	<u>\$0.03654</u>	<u>\$5,513,516</u>	<u>\$0.03025</u>	<u>\$12,709,966</u>	<u>\$0.05457</u>
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	4,171,646	0.02148	3,806,846	0.02089	4,884,440	0.02097
Emissions:						
SO ² Allowances-ARP ^{fn1}	456	0.00000	59	0.00000	---	---
SO ² Allowances-CASPR ^{fn2}	---	---	8,571	0.00005	---	---
SO ² Allowances-CAIR ^{fn3}	320	0.00000	---	---	138	0.00000
NO _x Allowances ^{fn4}	15,033	0.00008	39,463	0.00022	17,425	0.00007
Other ^{fn5}	<u>387,014</u>	<u>0.00199</u>	<u>387,014</u>	<u>0.00212</u>	<u>373,346</u>	<u>0.00160</u>
Total Variable Costs	<u>4,574,469</u>	<u>0.02356</u>	<u>4,241,953</u>	<u>0.02327</u>	<u>5,275,349</u>	<u>0.02265</u>
Gross Margin	<u>\$2,521,369</u>	<u>\$0.01299</u>	<u>\$1,271,563</u>	<u>\$0.00698</u>	<u>\$7,434,617</u>	<u>\$0.03192</u>
Percent Gross Margin	35.5%		23.1%		58.5%	

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

	<u>Budget</u>	<u>2015</u>	<u>2014</u>
fn1 SO ² ARP	\$2.00	\$0.80	\$0.00
YTD SO ² ARP	2.00	0.80	0.00
fn2 SO ² CASPR	0.00	100.00	0.00
YTD SO ² CASPR	0.00	116.43	0.00
fn3 SO ² CAIR	0.70	0.00	0.75
YTD SO ² CAIR	0.70	0.00	0.75
fn4 NO _x annual	49.00	162.50	45.00
YTD NO _x annual	49.00	174.08	45.00

fn5 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
February 2015

Delivered to Wholesale Customers

	<u>Current Month 2015 Budget</u>	<u>Current Month 2015 Actual</u>	<u>Current Month 2014 Actual</u>	<u>Year-To-Date 2015 Budget</u>	<u>Year-To-Date 2015 Actual</u>	<u>Year-To-Date 2014 Actual</u>
Wholesale Sales KWHs	90,504,355	91,858,102	117,950,640	194,167,363	182,269,080	232,922,503
Wholesale Sales	\$3,457,266	\$2,965,967	\$6,674,094	\$7,095,838	\$5,513,516	\$12,709,966
Less:						
Production Fuel	2,045,047	2,025,929	2,578,895	4,337,644	3,930,738	5,098,880
Generation-Other	1,945,140	1,588,152	1,763,288	3,789,372	3,260,197	3,561,984
Transmission	210,133	235,670	164,606	411,487	482,643	346,662
Subtotal	<u>4,200,320</u>	<u>3,849,751</u>	<u>4,506,789</u>	<u>8,538,503</u>	<u>7,673,578</u>	<u>9,007,526</u>
Wholesale Margin	<u>(\$743,054)</u>	<u>(\$883,784)</u>	<u>\$2,167,305</u>	<u>(\$1,442,665)</u>	<u>(\$2,160,062)</u>	<u>\$3,702,440</u>

Delivered to Steam Customer

	<u>Current Month 2015 Budget</u>	<u>Current Month 2015 Actual</u>	<u>Current Month 2014 Actual</u>	<u>Year-To-Date 2015 Budget</u>	<u>Year-To-Date 2015 Actual</u>	<u>Year-To-Date 2014 Actual</u>
Steam Sales - 1,000 lbs.	238,262	231,550	234,164	504,925	495,652	492,325
Steam Sales	\$981,643	\$958,169	\$894,944	\$2,067,127	\$2,059,217	\$1,880,019
Less:						
Production Fuel	575,178	539,931	523,527	1,203,137	1,162,474	1,113,130
Generation-Other	32,199	65,255	26,789	63,471	141,583	62,964
Steam Sales Margin	<u>\$374,266</u>	<u>\$352,983</u>	<u>\$344,628</u>	<u>\$800,519</u>	<u>\$755,160</u>	<u>\$703,925</u>

Delivered to Paying Native System Customers

	<u>Current Month 2015 Budget</u>	<u>Current Month 2015 Actual</u>	<u>Current Month 2014 Actual</u>	<u>Year-To-Date 2015 Budget</u>	<u>Year-To-Date 2015 Actual</u>	<u>Year-To-Date 2014 Actual</u>
Native System Sales KWHs	66,808,439	67,641,676	65,826,301	137,499,687	140,931,000	135,471,132
Native System Sales	\$4,103,683	\$4,477,327	\$4,039,676	\$8,414,709	\$9,161,580	\$8,256,547
Less:						
Purchased Power	2,383,888	1,994,078	3,553,564	4,585,779	3,935,743	6,780,686
Distribution	422,878	421,616	402,655	878,458	860,739	844,525
Customer Service	30,753	6,069	7,850	60,954	23,117	22,982
Consumers Accounts	55,959	49,167	50,988	113,413	102,970	107,282
Administrative & General	1,131,194	1,115,541	1,095,528	2,291,010	2,223,816	2,226,689
Subtotal	<u>4,024,672</u>	<u>3,586,471</u>	<u>5,110,585</u>	<u>7,929,614</u>	<u>7,146,385</u>	<u>9,982,164</u>
Native System Margin	79,011	890,856	(1,070,909)	485,095	2,015,195	(1,725,617)
Steam Sales Margin	374,266	352,983	344,628	800,519	755,160	703,925
Wholesale Margin	<u>(743,054)</u>	<u>(883,784)</u>	<u>2,167,305</u>	<u>(1,442,665)</u>	<u>(2,160,062)</u>	<u>3,702,440</u>
Net Electric Margin	(289,777)	360,055	1,441,024	(157,051)	610,293	2,680,748
Other Revenue	81,242	41,327	73,237	165,583	87,711	137,423
Nonoperating Revenue (Expense)	<u>14,964</u>	<u>7,487</u>	<u>105,755</u>	<u>43,268</u>	<u>16,344</u>	<u>212,337</u>
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	<u>(\$193,571)</u>	<u>\$408,869</u>	<u>\$1,620,016</u>	<u>\$51,800</u>	<u>\$714,348</u>	<u>\$3,030,508</u>