

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

June 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 - June 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	95,148,720	(1.4)	93,801,382	(13.2)	108,115,728
Less: Plant Use	<u>9,550,656</u>	10.2	<u>10,523,032</u>	1.4	<u>10,374,300</u>
Net Generation/Wholesale Sales	<u>85,598,064</u>	(2.7)	<u>83,278,350</u>	(14.8)	<u>97,741,428</u>
<u>Net Capacity Factors</u>					
Unit 9	58.00	9.1	63.30	12.5	56.27
Unit 8/8A	49.74	(42.1)	28.81	(61.4)	74.60
Unit 7	14.00	-1.0X	---	-1.0X	49.77
Total Plant	51.74	(3.1)	50.15	(15.1)	59.07
<u>KWH Distribution</u>					
Residential	9,432,000	(7.9)	8,684,520	(1.7)	8,837,020
Commercial I	3,477,500	(10.7)	3,104,343	0.6	3,086,110
Commercial II	8,948,000	0.5	8,993,740	(1.9)	9,165,780
Industrial I	11,433,443	(1.5)	11,258,800	(0.7)	11,335,320
Industrial II	37,100,000	(2.1)	36,304,582	5.3	34,491,193
City Enterprise Funds	401,321	10.5	443,594	16.2	381,607
Water & Communications Utilities	<u>1,401,356</u>	8.8	<u>1,524,248</u>	12.0	<u>1,361,408</u>
Native System Sales	72,193,620	(2.6)	70,313,827	2.4	68,658,438
City Lighting	182,000	(11.7)	160,645	(1.5)	163,083
City Buildings	577,000	6.5	614,601	(5.8)	652,235
Offline Power Plant Usage	204,233	(70.1)	61,088	(82.2)	342,668
Losses & Cycle Billing	<u>2,176,193</u>	89.6	<u>4,125,189</u>	28.8	<u>3,202,003</u>
Total Native System KWH Distributed/Purchased Power	<u>75,333,046</u>	(0.1)	<u>75,275,350</u>	3.1	<u>73,018,427</u>
<u>STEAM SALES - 1000 lbs</u>	<u>229,737</u>	1.9	<u>234,084</u>	15.8	<u>202,094</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - June 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	563,664,086	(3.0)	546,876,570	(12.1)	621,860,112
Less: Plant Use	<u>55,854,410</u>	8.6	<u>60,635,789</u>	(2.5)	<u>62,214,655</u>
Net Generation/Wholesale Sales	<u>507,809,676</u>	(4.2)	<u>486,240,781</u>	(13.1)	<u>559,645,457</u>
<u>Net Capacity Factors</u>					
Unit 9	57.59	5.6	60.82	3.1	58.98
Unit 8/8A	42.59	(36.2)	27.17	(52.0)	56.55
Unit 7	21.44	(79.3)	4.44	(87.6)	35.84
Total Plant	50.87	(4.6)	48.55	(13.4)	56.05
<u>KWH Distribution</u>					
Residential	49,495,500	(3.0)	48,031,941	(6.7)	51,505,531
Commercial I	18,249,000	(3.3)	17,651,483	(5.5)	18,675,736
Commercial II	46,955,500	14.5	53,768,440	6.6	50,456,044
Industrial I	56,981,144	0.4	57,226,300	5.8	54,104,880
Industrial II	230,100,000	(1.1)	227,617,947	1.9	223,340,073
City Enterprise Funds	2,722,397	1.1	2,753,702	7.8	2,553,588
Water & Communications Utilities	<u>8,143,186</u>	6.2	<u>8,647,852</u>	4.9	<u>8,244,611</u>
Native System Sales	412,646,727	0.7	415,697,665	1.7	408,880,463
City Lighting	1,034,000	(9.9)	931,167	(4.9)	978,812
City Buildings	3,276,500	4.0	3,407,335	(7.2)	3,671,718
Offline Power Plant Usage	1,130,578	(14.6)	966,067	(49.4)	1,909,261
Losses & Cycle Billing	<u>12,589,324</u>	(4.9)	<u>11,968,877</u>	(4.8)	<u>12,573,745</u>
Total Native System KWH Distributed/Purchased Power	<u>430,677,129</u>	0.5	<u>432,971,111</u>	1.2	<u>428,013,999</u>
<u>STEAM SALES - 1000 lbs</u>	<u>1,293,295</u>	(4.9)	<u>1,229,806</u>	(12.8)	<u>1,409,554</u>

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

	Budget		% Increase (Decrease) from Budget	This Year		% Increase (Decrease) from Last Year	Last Year	
	Estimate	Avg. Price		Avg. Price	Year		Avg. Price	Avg. Price
Sales of Electricity								
Residential	\$941,959	\$ 0.09987	(5.4)	\$891,066	\$ 0.10260	4.5	\$852,969	\$ 0.09652
Commercial I	327,026	0.09404	(9.7)	295,141	0.09507	8.2	272,848	0.08841
Commercial II	640,176	0.07154	2.5	656,413	0.07299	10.4	594,476	0.06486
Industrial I	653,175	0.05713	(1.0)	646,577	0.05743	3.7	623,462	0.05500
Industrial II	1,794,809	0.04838	(2.0)	1,758,950	0.04845	7.2	1,641,063	0.04758
City Enterprise Funds	27,825	0.06933	13.8	31,669	0.07139	15.9	27,335	0.07163
Water & Communication Utilities	80,204	0.05723	13.6	91,104	0.05977	20.9	75,386	0.05537
Native System Sales	4,465,174	0.06185	(2.1)	4,370,920	0.06216	6.9	4,087,539	0.05953
Wholesale Sales	3,167,128	0.03700	(25.9)	2,346,551	0.02818	(41.7)	4,025,504	0.04119
Energy Sales	7,632,302		(12.0)	6,717,471		(17.2)	8,113,043	
Steam Sales	956,138	4.16	(4.4)	914,091	3.90	15.4	792,403	3.92
Other Revenue								
By-Product Revenue	27,065		57.7	42,671		(24.1)	56,187	
Miscellaneous Revenue	52,893		15.6	61,142		30.5	46,843	
Total Other Revenue	79,958		29.8	103,813		0.8	103,030	
Operating Revenue	8,668,398		(10.8)	7,735,375		(14.1)	9,008,476	
Operating Expense								
Purchased Power	2,327,791	0.03090	(19.3)	1,878,987	0.02496	(30.1)	2,689,027	0.03683
Production Fuel	2,520,486		(13.1)	2,191,201		(6.3)	2,337,894	
Emissions Allowance	19,735		61.1	31,792		2.4X	9,359	
Operation	2,102,233		(13.6)	1,815,983		3.5	1,754,767	
Maintenance	803,030		39.8	1,122,980		56.1	719,443	
Depreciation	956,361		0.8	963,852		1.9	945,494	
Total Operating Expense	8,729,636		(8.3)	8,004,795		(5.3)	8,455,984	
Operating Income (Loss)	(61,238)		3.4X	(269,420)		-1.5X	552,492	
Nonoperating Revenue (Expense)								
Interest Income	16,607		(58.6)	6,868		(93.7)	108,315	
Interest Expense	(167)		(37.1)	(105)		29.6	(81)	
Total Nonoperating Revenue (Expense)	16,440		(58.9)	6,763		(93.8)	108,234	
Net Income (Loss) Before Revenue Adjustment	(44,798)		4.9X	(262,657)		-1.4X	660,726	
Capital Contributions	—			8,525			—	
Change in Net Position	(44,798)		4.7X	(254,132)		-1.4X	660,726	
Beginning Net Position	128,144,179			129,890,322			157,561,439	
Ending Net Position	\$128,099,381			\$129,636,190			\$158,222,165	
Net Loss Before Rev Adj to Op Revenue	(0.5)			(3.4)			7.3	
Change in Net Position to Operating Revenue	(0.5)			(3.3)			7.3	

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

	Budget		% Increase (Decrease) from Budget	This Year		% Increase (Decrease) from Last Year	Last Year	
	Estimate	Avg. Price		Avg. Price	Year		Avg. Price	Avg. Price
Sales of Electricity								
Residential	\$5,015,090	\$ 0.10132	1.0	\$5,064,930	\$ 0.10545	2.0	\$4,966,307	\$ 0.09642
Commercial I	1,721,930	0.09436	(0.9)	1,705,661	0.09663	4.2	1,636,924	0.08765
Commercial II	3,443,888	0.07334	15.4	3,972,844	0.07389	19.1	3,336,528	0.06613
Industrial I	3,342,238	0.05866	4.7	3,498,395	0.06113	12.2	3,117,184	0.05761
Industrial II	10,858,643	0.04719	4.6	11,359,432	0.04991	7.2	10,596,364	0.04744
City Enterprise Funds	185,241	0.06804	6.0	196,315	0.07129	18.3	166,008	0.06501
Water & Communications Utilities	465,873	0.05721	16.0	540,298	0.06248	17.7	459,016	0.05567
Native System Sales	25,032,903	0.06066	5.2	26,337,875	0.06336	8.5	24,278,331	0.05938
Wholesale-Sales	17,791,745	0.03504	(21.8)	13,913,841	0.02862	(45.1)	25,341,126	0.04528
Energy Sales	42,824,648		(6.0)	40,251,716		(18.9)	49,619,457	
Steam Sales	5,346,304	4.13	(6.3)	5,007,197	4.07	(8.0)	5,444,721	3.86
Other Revenue								
Rail Car Lease	---			---		-1.0X	68,627	
By-Product Revenue	162,113		(27.8)	116,972		9.7	106,590	
Miscellaneous Revenue	320,428		(7.5)	296,330		(5.2)	312,737	
Total Other Revenue	482,541		(14.3)	413,302		(15.3)	487,954	
Operating Revenue	48,653,493		(6.1)	45,672,215		(17.8)	55,552,132	
Operating Expense								
Purchased Power	12,747,708	0.02960	(16.4)	10,661,094	0.02462	(32.6)	15,812,866	0.03694
Production Fuel	14,662,482		(10.6)	13,106,309		(14.0)	15,245,954	
Emissions Allowance	92,490		78.0	164,656		2.4X	47,872	
Operation	12,559,121		(6.5)	11,736,751		6.0	11,077,146	
Maintenance	5,824,225		(4.1)	5,582,619		15.3	4,839,906	
Depreciation	5,738,168		0.8	5,783,108		1.9	5,672,964	
Total Operating Expense	51,624,194		(8.9)	47,034,537		(10.7)	52,696,708	
Operating Income (Loss)	(2,970,701)		(54.1)	(1,362,322)		-1.5X	2,855,424	
Nonoperating Revenue (Expense)								
Interest Income	126,244		(63.7)	45,883		(92.9)	642,236	
Interest Expense	(1,000)		(26.6)	(734)		(52.7)	(1,552)	
Total Nonoperating Revenue (Expense)	125,244		(64.0)	45,149		(93.0)	640,684	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(2,845,457)		(53.7)	(1,317,173)		-1.4X	3,496,108	
Capital Contributions	---			8,525			---	
Revenue Adjustment-Extraordinary O&M	(25,327,000)			(25,327,000)			---	
Change in Net Position	(28,172,457)		(5.5)	(26,635,648)		-8.6X	3,496,108	
Beginning Net Position	156,271,838			156,271,838			154,726,057	
Ending Net Position	\$128,099,381			\$129,636,190			\$158,222,165	
Net Income (Loss) Before Rev Adj to Op Revenue	(5.9)			(2.9)			6.3	
Change in Net Position to Operating Revenue	(57.9)			(58.3)			6.3	

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

ASSETS

	<u>2015</u>	<u>2014</u>
Current Assets:		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$11,499,826	\$20,370,460
Investments	9,000,000	5,500,000
Receivables:		
Consumer Accounts	5,378,409	4,966,254
Refined Coal	3,631,355	4,166,910
Wholesale	433,638	1,026,413
Steam Sales	914,400	829,434
Interest	33,671	633,533
Inventories	6,061,248	6,022,815
Fuel	11,255,299	2,581,582
Prepaid Expenses	1,217,850	1,283,635
	<hr/>	<hr/>
Total Unrestricted Current Assets	49,425,696	47,381,036
	<hr/>	<hr/>
<u>Restricted Assets</u>		
Cash - interest bearing	3,066,139	2,042,488
Investments	10,000,000	11,000,000
	<hr/>	<hr/>
Total Restricted Current Assets	13,066,139	13,042,488
	<hr/>	<hr/>
Total Current Assets	62,491,835	60,423,524
	<hr/>	<hr/>
Property and Equipment:		
At Cost	416,883,347	413,417,780
Less Accumulated Depreciation	336,613,134	326,597,749
	<hr/>	<hr/>
Net Property and Equipment	80,270,213	86,820,031
	<hr/>	<hr/>
Other Assets:		
Note Receivable - Communications Utility	10,000,000	35,327,000
Note Receivable - Water Utility	2,650,000	1,150,000
Joint Venture Rights	95,421	96,724
	<hr/>	<hr/>
Total Other Assets	12,745,421	36,573,724
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$155,507,469</u>	<u>\$183,817,279</u>

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2015</u>	<u>2014</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$6,428,147	\$6,235,783
Pension Provision	1,057,160	1,071,276
Health & Dental Insurance Provision	289,930	229,100
Accrued Payroll	433,937	357,222
Accrued Vacation	1,217,699	1,148,059
Accrued Emission Allowance Expense	163,866	58,667
Consumers' Deposits	712,247	645,522
Accrued Property Taxes	101,930	98,668
Miscellaneous Accrued Expenses	693,624	769,821
Unearned Revenue - Farm Rent	26,709	---
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	11,125,249	10,614,118
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,059,568	1,396,654
Post-Employment Health Benefit Provision	469,857	371,107
Consumer Advances for Construction	183,739	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	1,713,164	1,948,131
	<hr/>	<hr/>
Deferred Inflows of Resources - Extraordinary O & M	13,032,866	13,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	80,270,213	86,820,031
Restricted	13,066,139	13,042,488
Unrestricted	36,299,838	58,359,645
	<hr/>	<hr/>
Total Net Position	129,636,190	158,222,164
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$155,507,469</u>	<u>\$183,817,279</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,331,771	\$26,298,209
MISO sales	2,589,778	14,609,359
Steam sales	27,299	4,985,661
Coal sales	2,436,010	21,201,440
Railcar/facilities leasing	5,200	31,200
By-product sales	29,283	132,695
Miscellaneous sources	22,964	303,174
Cash paid to/for:		
Suppliers	(1,590,341)	(6,220,299)
MISO purchases/administration fees	(2,238,793)	(11,132,652)
Coal purchases	(6,036,759)	(38,666,904)
Employees payroll, taxes and benefits	(1,640,667)	(10,741,828)
Net cash flows from operating activities	<u>(2,064,255)</u>	<u>800,055</u>
Cash flows from noncapital financing activities:		
Interest received on notes receivable from water & communications utilities	---	625,577
Loan to Water Utility	<u>---</u>	<u>(750,000)</u>
Net cash flows from noncapital financing activities	<u>---</u>	<u>(124,423)</u>
Cash flows from capital financing activities:		
Capital expenditures, net	<u>(358,721)</u>	<u>(1,935,883)</u>
Net cash flows from capital and related financing activities	<u>(358,721)</u>	<u>(1,935,883)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(44,820)
Interest received on investments	<u>457</u>	<u>36,570</u>
Net cash flows from investing activities	<u>457</u>	<u>(8,250)</u>
Net decrease in cash and investments	<u>(2,422,519)</u>	<u>(1,268,501)</u>
Cash and investments at beginning of period	<u>35,988,484</u>	<u>34,834,466</u>
Cash and investments at end of period	<u><u>\$33,565,965</u></u>	<u><u>\$33,565,965</u></u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$269,420)	(\$1,362,322)
Noncash items in operating income:		
Depreciation of electric utility plant	963,852	5,783,108
Amortization of joint venture rights	7,845	48,895
Changes in assets and liabilities:		
Consumer accounts receivable	(100,449)	144,973
Refined coal	(1,190,145)	1,069,695
Wholesale receivable	(243,814)	594,145
Steam sales receivable	(886,254)	165,442
Inventories	19,100	(153,551)
Fuel	(1,338,635)	(4,529,615)
Prepaid expenses	(32,129)	(709,936)
Accounts payable	693,503	(1,223,482)
Pension provision	176,193	1,057,160
Health & dental insurance provision	19,665	(352,385)
Other post-employment benefit provision	8,229	49,375
Accrued payroll	101,575	(73,933)
Accrued vacation	(41,267)	86,876
Accrued emission allowance expense	31,792	95,268
Consumers' deposits	1,521	31,813
Retained Percentage	---	(73,894)
Accrued property taxes	8,341	1,376
Unearned revenue	9,580	124,334
Miscellaneous accrued expenses	(3,338)	26,713
	<u>(\$2,064,255)</u>	<u>\$800,055</u>
Net cash flows from operating activities	<u>(\$2,064,255)</u>	<u>\$800,055</u>

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

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,066,139</u>	<u>\$13,042,488</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$13,066,139</u>	<u>\$13,042,488</u>

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$2,327,791</u>	26.9	<u>\$1,878,987</u>	24.3	<u>\$2,689,027</u>	29.8
Average price per kWh	\$0.0309		\$0.0250		\$0.0368	
<u>Generation</u>						
Operation Supervision	84,527		82,831		76,555	
Fuel:						
Coal	2,405,205		2,115,646		2,218,298	
Fuel Oil	17,500		267		29,333	
Gas	10,500		8,228		23,585	
Coal Handling Expense	75,102		57,036		61,313	
Landfill Operation Expense	12,179		10,024		5,365	
Emissions Allowance Expense	19,735		31,792		9,359	
Steam Expense:						
Boiler	98,140		85,944		90,430	
Pollution Control	113,806		47,960		34,469	
Electric Expense	102,762		92,652		98,350	
Miscellaneous Steam Power Expense	274,009		120,273		139,624	
Maintenance:						
Supervision	85,509		86,775		84,069	
Structures	66,258		36,946		36,200	
Boiler Plant:						
Boiler	131,251		179,856		231,755	
Pollution Control	47,470		166,676		38,935	
Electric Plant	49,542		121,712		29,041	
System Control	20,512		15,872		15,474	
Miscellaneous Steam Plant	71,701		56,759		53,216	
Coal Handling Equipment	101,095		257,840		35,947	
System Control and Load Dispatch	26,292		21,355		23,364	
Vacation, Holiday, Sick Leave	76,131		78,396		83,690	
Depreciation	<u>626,277</u>		<u>636,060</u>		<u>624,707</u>	
Total Generation Expense	<u>\$4,515,503</u>	52.1	<u>\$4,310,900</u>	55.7	<u>\$4,043,079</u>	44.9

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$12,747,708</u>	26.2	<u>\$10,661,094</u>	23.3	<u>\$15,812,866</u>	28.5
Average price per kWh	\$0.0296		\$0.0246		\$0.0369	
 <u>Generation</u>						
Operation Supervision	525,163		489,294		477,631	
Fuel:						
Coal	13,988,295		12,629,651		14,432,193	
Fuel Oil	106,027		28,142		123,324	
Gas	109,500		103,331		267,561	
Coal Handling Expense	424,539		321,005		408,278	
Landfill Operation Expense	34,121		24,180		14,598	
Emissions Allowance Expense	92,490		164,656		47,872	
Steam Expense:						
Boiler	617,913		618,466		597,141	
Pollution Control	414,627		194,371		210,177	
Electric Expense	599,328		556,889		565,461	
Miscellaneous Steam Power Expense	1,484,240		1,232,111		915,571	
Maintenance:						
Supervision	517,722		534,226		503,755	
Structures	371,622		331,072		340,889	
Boiler Plant:						
Boiler	1,428,425		1,306,518		1,212,076	
Pollution Control	404,699		453,727		433,161	
Electric Plant	533,313		398,782		290,935	
System Control	122,846		105,798		112,332	
Miscellaneous Steam Plant	456,035		384,131		390,858	
Coal Handling Equipment	633,401		855,543		435,639	
System Control and Load Dispatch	172,271		166,929		159,287	
Vacation, Holiday, Sick Leave	559,026		586,284		604,652	
Depreciation	<u>3,757,665</u>		<u>3,816,360</u>		<u>3,748,242</u>	
 Total Generation Expense	 <u>\$27,353,268</u>	 56.2	 <u>\$25,301,466</u>	 55.4	 <u>\$26,291,633</u>	 47.3

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$4,662		\$5,300		\$4,296	
Load Dispatching	58,116		62,844		53,982	
Station Expense	5,690		8,387		14,243	
Overhead Line Expense	142		---		366	
Transmission of Electricity by Others	44,469		53,030		29,551	
Miscellaneous Transmission Expense	24,208		5,185		10,314	
Maintenance:						
Supervision	2,555		2,846		1,929	
Structures	3,687		---		---	
Station Equipment	6,375		3,900		2,569	
Overhead Lines	11,773		11,026		12,500	
Vacation, Holiday, Sick Leave	6,255		5,523		4,485	
Depreciation	30,810		30,688		30,688	
Tax on Rural Property	5,642		5,642		5,642	
Total Transmission Expense	204,384	2.4	194,371	2.5	170,565	1.9
<u>Distribution</u>						
Operation Supervision	12,115		13,894		11,557	
Load Dispatching	31,811		30,649		33,809	
Station Expense	6,818		9,600		8,615	
Overhead Line Expense	6,555		6,613		3,777	
Vehicle Expense	18,246		18,616		13,690	
Underground Line Expense	3,613		4,179		3,724	
Street Lighting	3,056		3,881		1,279	
Signal Expense	844		83		239	
Meter Expense	9,502		7,277		9,363	
Consumer Installation Expense	562		674		591	
Miscellaneous Distribution Expense	51,643		59,315		48,962	
Maintenance:						
Supervision	10,588		12,023		10,360	
Structures	6,912		---		1,498	
Station Equipment	8,722		12,614		7,040	
Overhead Lines	60,680		41,795		61,838	
Underground Lines	16,710		35,080		10,095	
Line Transformers	4,906		2,363		6,151	
Street Lighting	6,376		3,419		2,906	
Signal System	3,347		6,954		4,537	
Meters	2,324		(2,457)		1,666	
Miscellaneous Distribution Plant	2,500		2,605		3,940	
Vacation, Holiday, Sick Leave	23,541		21,399		20,361	
Depreciation	164,368		163,755		158,237	
Tax on Rural Property	1,685		1,685		1,685	
Total Distribution Expense	\$457,424	5.3	\$456,016	5.9	\$425,920	4.7

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$27,973		\$28,648		\$25,775	
Load Dispatching	351,948		360,494		372,678	
Station Expense	42,359		59,396		85,560	
Overhead Line Expense	500		2,989		2,438	
Transmission of Electricity by Others	266,816		304,148		174,943	
Miscellaneous Transmission Expense	168,633		40,374		29,919	
Maintenance:						
Supervision	15,332		14,859		12,066	
Structures	7,812		---		---	
Station Equipment	108,607		22,538		34,112	
Overhead Lines	73,130		178,000		80,001	
Vacation, Holiday, Sick Leave	45,285		42,861		37,795	
Depreciation	184,860		184,127		184,128	
Tax on Rural Property	33,854		33,946		33,957	
Total Transmission Expense	<u>1,327,109</u>	2.7	<u>1,272,380</u>	2.8	<u>1,073,372</u>	1.9
<u>Distribution</u>						
Operation Supervision	70,571		72,205		71,552	
Load Dispatching	187,478		182,450		177,387	
Station Expense	45,119		41,489		61,301	
Overhead Line Expense	26,737		17,528		10,333	
Vehicle Expense	109,502		89,733		92,250	
Underground Line Expense	22,852		24,696		16,173	
Street Lighting	18,035		21,425		12,505	
Signal Expense	4,297		484		1,639	
Meter Expense	56,655		49,582		55,258	
Consumer Installation Expense	3,470		1,916		3,950	
Miscellaneous Distribution Expense	325,086		336,120		299,008	
Maintenance:						
Supervision	61,958		62,162		64,263	
Structures	11,314		---		1,498	
Station Equipment	59,668		76,497		41,838	
Overhead Lines	323,211		317,442		272,232	
Underground Lines	85,653		66,924		138,181	
Line Transformers	32,978		31,789		20,498	
Street Lighting	39,399		34,093		27,246	
Signal System	20,240		22,075		19,069	
Meters	16,444		8,154		12,254	
Miscellaneous Distribution Plant	15,000		15,547		19,786	
Vacation, Holiday, Sick Leave	174,055		181,659		158,302	
Depreciation	986,208		982,528		949,422	
Tax on Rural Property	10,112		10,140		10,138	
Total Distribution Expense	<u>\$2,706,042</u>	5.6	<u>\$2,646,638</u>	5.8	<u>\$2,536,083</u>	4.6

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

	<u>Budget Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$17,571		\$5,057		\$3,274	
Energy Efficiency Rebates	19,109		6,954		77,680	
Electric Ranges/Dryers Maintenance	409		353		177	
Electric Water Heaters Maintenance	117		29		30	
	<u>37,206</u>	0.4	<u>12,393</u>	0.2	<u>81,161</u>	0.9
<u>Consumer Accounts</u>						
Supervision	2,996		3,564		3,311	
Meter Reading Expense	9,366		8,484		8,755	
Consumer Records and Collection	35,507		36,000		28,322	
Uncollectible Accounts Expense	4,565		4,565		4,316	
Vacation, Holiday, Sick Leave	3,645		2,901		3,898	
	<u>56,079</u>	0.6	<u>55,514</u>	0.7	<u>48,602</u>	0.5
<u>Administrative and General</u>						
Administrative and General Salaries	173,151		174,194		153,461	
Office Supplies and Expenses	15,563		18,254		10,807	
Outside Services Employed	70,458		60,820		32,226	
Property Insurance	60,894		58,782		59,470	
Casualty Ins, Injuries & Damages	41,551		27,554		31,780	
Employee Pensions and Benefits	514,235		504,140		485,725	
Fringe Benefits Charged to Constr.	(24,337)		(30,334)		(32,881)	
Regulatory Commission	7,311		7,680		7,334	
Miscellaneous General Expense	33,841		53,444		25,738	
Maintenance of General Plant	29,895		33,837		28,226	
Maintenance of A/O Center	52,342		34,539		39,551	
Vacation, Holiday, Sick Leave	21,439		20,355		24,331	
Depreciation	134,906		133,349		131,862	
	<u>1,131,249</u>	13.1	<u>1,096,614</u>	14.2	<u>997,630</u>	11.1
	<u><u>\$8,729,636</u></u>		<u><u>\$8,004,795</u></u>		<u><u>\$8,455,984</u></u>	
Percent to Operating Revenue		100.7		103.5		93.9

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$80,065		\$47,375		\$38,795	
Energy Efficiency Rebates	114,646		84,703		107,756	
Electric Ranges/Dryers Maintenance	2,554		1,587		2,314	
Electric Water Heaters Maintenance	947		568		448	
Total Customer Service Expense	<u>\$198,212</u>	0.4	<u>\$134,233</u>	0.3	<u>\$149,313</u>	0.3
<u>Consumer Accounts</u>						
Supervision	17,930		19,197		17,441	
Meter Reading Expense	56,077		55,875		57,603	
Consumer Records and Collection	213,058		205,234		193,483	
Uncollectible Accounts Expense	27,388		27,388		25,899	
Vacation, Holiday, Sick Leave	27,120		25,846		28,831	
Total Consumer Accounts Expense	<u>341,573</u>	0.7	<u>333,540</u>	0.7	<u>323,257</u>	0.6
<u>Administrative and General</u>						
Administrative and General Salaries	1,038,986		983,003		984,969	
Office Supplies and Expenses	102,107		110,839		82,603	
Outside Services Employed	359,838		288,062		290,134	
Property Insurance	360,561		354,756		343,917	
Casualty Ins, Injuries & Damages	252,106		351,474		274,626	
Employee Pensions and Benefits	3,186,297		3,091,484		3,058,064	
Fringe Benefits Charged to Constr.	(145,775)		(132,438)		(144,142)	
Regulatory Commission	43,864		43,215		42,740	
Miscellaneous General Expense	298,543		258,393		246,572	
Maintenance of General Plant	202,959		174,206		176,776	
Maintenance of A/O Center	282,457		188,536		200,441	
Vacation, Holiday, Sick Leave	158,904		173,563		162,312	
Depreciation	809,435		800,093		791,172	
Total Administrative and General	<u>6,950,282</u>	14.3	<u>6,685,186</u>	14.6	<u>6,510,184</u>	11.7
Total Operating Expense	<u>\$51,624,194</u>		<u>\$47,034,537</u>		<u>\$52,696,708</u>	
Percent to Operating Revenue		106.1		103.0		94.9

Muscatine Power and Water - Electric Utility
Statistical Data
June 2015

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

	<u>Current Month</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.831	\$1.703
Per Net MW Generated	\$20.18	\$19.92
Net Peak Monthly Demand-KW	133,330	124,070
Date of Peak	6/10	6/30
Hour of Peak	1500	1400

	<u>Calendar Year-To-Date</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.912	\$1.878
Per Net MW Generated	\$21.14	\$21.76
Net Peak Monthly Demand-KW	133,330	124,070
Date of Peak	6/10	6/30
Hour of Peak	1500	1400

Average Temperature	70.6°	71.7°
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<u>Services</u>	<u>2015</u>	<u>2014</u>
Residential	9,789	9,731
Commercial I	1,365	1,369
Commercial II	118	118
Industrial I	9	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	35	33
Total	<u>11,340</u>	<u>11,285</u>

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

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
Wholesale kWh Sales	85,598,064		83,278,350		97,741,428	
Wholesale Sales	\$3,167,128	\$0.03700	\$2,346,551	\$0.02818	\$4,025,504	\$0.04119
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	1,864,631	0.02178	1,597,366	0.01918	1,865,787	0.01909
Emissions:						
SO ² Allowances-ARP ^{fn1}	156	0.00000	25	0.00000	—	—
SO ² Allowances-CASPR ^{fn2}	—	—	215	0.00000	—	—
SO ² Allowances-CAIR ^{fn3}	109	0.00000	—	—	83	0.00000
NO _x Allowances ^{fn4}	7,673	0.00009	28,695	0.00034	15,320	0.00016
Other ^{fn5}	<u>193,507</u>	<u>0.00226</u>	<u>185,110</u>	<u>0.00222</u>	<u>184,962</u>	<u>0.00189</u>
Total Variable Costs	2,066,076	0.02414	1,811,411	0.02175	2,066,152	0.02114
Gross Margin	\$1,101,052	\$0.01286	\$535,140	\$0.00643	\$1,959,352	\$0.02005
Percent Gross Margin	34.8%		22.8%		48.7%	

Calendar Year To Date

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
Wholesale kWh Sales	507,809,676		486,240,781		559,645,457	
Wholesale Sales	\$17,791,745	\$0.03504	\$13,913,841	\$0.02862	\$25,341,126	\$0.04528
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	11,042,049	0.02174	9,859,883	0.02028	11,623,691	0.02077
Emissions:						
SO ² Allowances-ARP ^{fn1}	1,106	0.00000	138	0.00000	—	—
SO ² Allowances-CASPR ^{fn2}	—	—	13,820	0.00003	—	—
SO ² Allowances-CAIR ^{fn3}	775	0.00000	—	—	324	0.00000
NO _x Allowances ^{fn4}	39,499	0.00008	108,852	0.00022	112,377	0.00020
Other ^{fn5}	<u>1,161,042</u>	<u>0.00229</u>	<u>1,152,645</u>	<u>0.00237</u>	<u>1,118,327</u>	<u>0.00200</u>
Total Variable Costs	12,244,471	0.02411	11,135,338	0.02290	12,854,719	0.02297
Gross Margin	\$5,547,274	\$0.01092	\$2,778,503	\$0.00571	\$12,486,407	\$0.02231
Percent Gross Margin	31.2%		20.0%		49.3%	

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

	Budget	2015	2014
fn1 SO² ARP	\$2.00	\$0.80	\$0.00
YTD SO ² ARP	2.00	0.80	0.00
fn2 SO² CASPR	0.00	7.00	0.00
YTD SO ² CASPR	0.00	79.97	0.00
fn3 SO² CAIR	0.70	0.00	0.88
YTD SO ² CAIR	0.70	0.00	0.79
fn4 NO_x annual	49.00	152.50	61.50
NO _x seasonal	10.00	162.50	24.50
YTD NO _x annual	49.00	155.07	57.18
YTD NO _x seasonal	10.00	149.51	24.90

fn5 Other includes variable generation O&M, rail car cost, and Title V permit fees. Costs included have been amortized evenly over the year.