

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

August 2015

**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 - August 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	126,014,851	(22.2)	97,995,335	32.2	74,112,770
Less: Plant Use	<u>11,368,394</u>	(6.4)	<u>10,635,976</u>	6.1	<u>10,028,607</u>
Net Generation/Wholesale Sales	<u><u>114,646,457</u></u>	(23.8)	<u><u>87,359,359</u></u>	36.3	<u><u>64,084,163</u></u>
<u>Net Capacity Factors</u>					
Unit 9	68.00	(22.2)	52.90	46.0	36.23
Unit 8/8A	75.90	(20.3)	60.46	1.0	59.86
Unit 7	45.00	(55.6)	19.96	2.6X	5.60
Total Plant	67.06	(24.1)	50.91	35.8	37.48
<u>KWH Distribution</u>					
Residential	12,297,000	(8.9)	11,206,832	12.8	9,930,827
Commercial I	4,534,000	(18.4)	3,700,647	6.6	3,469,907
Commercial II	11,666,000	(15.1)	9,900,040	6.3	9,312,700
Industrial I	12,305,041	(6.3)	11,533,700	(1.5)	11,706,980
Industrial II	36,200,000	3.3	37,386,453	(3.2)	38,612,612
City Enterprise Funds	371,218	14.1	423,467	6.5	397,770
Water & Communications Utilities	<u>1,507,944</u>	9.3	<u>1,647,577</u>	14.9	<u>1,433,978</u>
Native System Sales	78,881,203	(3.9)	75,798,716	1.2	74,864,774
City Lighting	166,000	(13.3)	143,855	(3.5)	149,031
City Buildings	525,000	13.2	594,521	(1.3)	602,514
Offline Power Plant Usage	39,103	5.7X	260,489	80.0	144,739
Losses & Cycle Billing	<u>2,306,947</u>	(48.2)	<u>1,194,778</u>	(64.7)	<u>3,381,105</u>
Total Native System KWH Distributed/Purchased Power	<u><u>81,918,253</u></u>	(4.8)	<u><u>77,992,359</u></u>	(1.5)	<u><u>79,142,163</u></u>
 <u>STEAM SALES - 1000 lbs</u>	 <u><u>243,129</u></u>	 12.4	 <u><u>273,260</u></u>	 43.5	 <u><u>190,485</u></u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - August 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	811,504,919	(7.8)	748,404,551	(2.8)	770,169,549
Less: Plant Use	<u>78,262,648</u>	5.6	<u>82,677,093</u>	0.3	<u>82,432,830</u>
Net Generation/Wholesale Sales	<u><u>733,242,271</u></u>	(9.2)	<u><u>665,727,458</u></u>	(3.2)	<u><u>687,736,719</u></u>
<u>Net Capacity Factors</u>					
Unit 9	59.86	0.3	60.04	13.4	52.96
Unit 8/8A	51.34	(35.9)	32.91	(43.5)	58.22
Unit 7	26.81	(68.6)	8.42	(70.0)	28.02
Total Plant	54.71	(9.5)	49.51	(3.5)	51.31
<u>KWH Distribution</u>					
Residential	74,646,000	(6.6)	69,718,675	(3.0)	71,909,350
Commercial I	27,522,000	(10.2)	24,710,221	(3.5)	25,597,398
Commercial II	70,815,500	4.0	73,640,760	7.1	68,746,444
Industrial I	81,230,949	(1.1)	80,347,200	4.0	77,274,380
Industrial II	302,500,000	(0.4)	301,183,213	0.5	299,594,877
City Enterprise Funds	3,494,616	4.4	3,649,232	7.2	3,404,451
Water & Communications Utilities	<u>11,256,527</u>	6.5	<u>11,989,814</u>	7.9	<u>11,112,224</u>
Native System Sales	571,465,592	(1.1)	565,239,115	1.4	557,639,124
City Lighting	1,375,000	(10.2)	1,234,273	(4.8)	1,296,718
City Buildings	4,357,500	5.1	4,581,594	(5.4)	4,843,892
Offline Power Plant Usage	1,530,553	(17.5)	1,262,972	(42.1)	2,182,800
Losses & Cycle Billing	<u>17,232,617</u>	(0.8)	<u>17,094,834</u>	(5.1)	<u>18,014,728</u>
Total Native System KWH Distributed/Purchased Power	<u><u>595,961,262</u></u>	(1.1)	<u><u>589,412,788</u></u>	0.9	<u><u>583,977,262</u></u>
 <u>STEAM SALES - 1000 lbs</u>	 <u><u>1,796,823</u></u>	 (1.5)	 <u><u>1,770,310</u></u>	 (3.0)	 <u><u>1,825,915</u></u>

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

	Budget		% Increase (Decrease) from Budget	% Increase (Decrease) from Last Year			Last Year	
	Estimate	Avg. Price		This Year	Avg. Price	Year	Estimate	Avg. Price
Sales of Electricity								
Residential	\$1,250,684	\$ 0.10171	(9.8)	\$1,128,705	\$ 0.10072	13.3	\$995,943	\$ 0.10029
Commercial I	450,178	0.09929	(20.5)	358,078	0.09676	9.7	326,476	0.09409
Commercial II	860,783	0.07379	(16.5)	718,796	0.07261	7.9	666,246	0.07154
Industrial I	715,077	0.05811	(6.3)	669,861	0.05808	(0.1)	670,256	0.05725
Industrial II	1,742,685	0.04814	6.1	1,848,295	0.04944	1.1	1,828,657	0.04736
City Enterprise Funds	26,681	0.07187	22.5	32,684	0.07718	9.7	29,797	0.07491
Water & Communication Utilities	89,743	0.05951	8.7	97,571	0.05922	12.7	86,549	0.06036
Native System Sales	5,135,831	0.06511	(5.5)	4,853,990	0.06404	5.4	4,603,924	0.06150
Wholesale Sales	4,026,932	0.03512	(39.2)	2,449,811	0.02804	(1.0)	2,473,360	0.03860
Energy Sales	9,162,763		(20.3)	7,303,801		3.2	7,077,284	
Steam Sales	1,013,107	4.17	4.2	1,055,969	3.86	41.2	747,634	3.92
Other Revenue								
By-Product Revenue	32,934		6.2	34,971		(77.8)	157,207	
Miscellaneous Revenue	53,144		13.4	60,254		21.5	49,591	
Total Other Revenue	86,078		10.6	95,225		(54.0)	206,798	
Operating Revenue	10,261,948		(17.6)	8,454,995		5.3	8,031,716	
Operating Expense								
Purchased Power	2,577,012	0.03146	(25.7)	1,915,379	0.02456	(27.3)	2,636,040	0.03331
Production Fuel	3,228,421		(25.2)	2,416,184		26.6	1,908,781	
Emissions Allowance	23,104		1.1X	47,997		3.9X	9,871	
Operation	2,149,917		(15.2)	1,823,256		8.1	1,686,250	
Maintenance	917,295		(12.9)	798,742		5.9	754,234	
Depreciation	956,362		0.8	963,852		1.9	945,494	
Total Operating Expense	9,852,111		(19.2)	7,965,410		0.3	7,940,670	
Operating Income	409,837		19.5	489,585		4.4X	91,046	
Nonoperating Revenue (Expense)								
Interest Income	16,557		(43.3)	9,393		(91.4)	108,627	
Interest Expense	(167)		(34.1)	(110)		39.2	(79)	
Total Nonoperating Revenue (Expense)	16,390		(43.4)	9,283		(91.4)	108,548	
Net Income Before Revenue Adjustment	426,227		17.0	498,868		1.5X	199,594	
Capital Contributions	---			---			41,584	
Change in Net Position	426,227		17.0	498,868		1.1X	241,178	
Beginning Net Position	128,845,928			129,878,650			158,377,474	
Ending Net Position	\$129,272,155			\$130,377,518			\$158,618,652	
Net Loss Before Rev Adj to Op Revenue	4.2			5.9			2.5	
Change in Net Position to Operating Revenue	4.2			5.9			3.0	

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

	Budget		% Increase (Decrease) from Budget	% Increase (Decrease) from Last Year			Last Year	
	Estimate	Avg. Price		This Year	Avg. Price	Year	Last Year	Avg. Price
Sales of Electricity								
Residential	\$7,503,624	\$ 0.10052	(3.5)	\$7,241,477	\$ 0.10387	4.2	\$6,949,994	\$ 0.09665
Commercial I	2,609,679	0.09482	(8.8)	2,380,168	0.09632	5.0	2,266,155	0.08853
Commercial II	5,103,613	0.07207	5.8	5,397,275	0.07329	17.6	4,589,839	0.06676
Industrial I	4,727,195	0.05819	1.9	4,816,948	0.05995	9.1	4,415,919	0.05715
Industrial II	14,373,356	0.04752	3.8	14,922,497	0.04955	5.2	14,183,953	0.04734
City Enterprise Funds	239,509	0.06854	9.5	262,364	0.07190	16.5	225,192	0.06615
Water & Communications Utilities	646,610	0.05744	13.7	735,162	0.06132	17.7	624,818	0.05623
Native System Sales	35,203,586	0.06160	1.6	35,755,891	0.06326	7.5	33,255,870	0.05964
Wholesale Sales	26,604,638	0.03628	(27.5)	19,286,451	0.02897	(36.0)	30,141,245	0.04383
Energy Sales	61,808,224		(10.9)	55,042,342		(13.2)	63,397,115	
Steam Sales	7,441,912	4.14	(4.6)	7,103,297	4.01	0.3	7,079,102	3.88
Other Revenue								
Rail Car Lease	---			---		-1.0X	68,627	
By-Product Revenue	226,562		(18.5)	184,677		(37.5)	295,414	
Miscellaneous Revenue	426,507		(3.1)	413,224		(2.3)	422,986	
Total Other Revenue	653,069		(8.4)	597,901		(24.0)	787,027	
Operating Revenue	69,903,205		(10.2)	62,743,540		(12.0)	71,263,244	
Operating Expense								
Purchased Power	18,384,249	0.03085	(19.6)	14,787,722	0.02509	(29.0)	20,830,647	0.03567
Production Fuel	21,052,817		(14.4)	18,013,179		(5.7)	19,108,266	
Emissions Allowance	139,058		88.2	261,747		2.8X	68,900	
Operation	16,834,930		(8.2)	15,462,317		6.0	14,589,842	
Maintenance	7,672,326		(6.8)	7,153,089		17.1	6,108,435	
Depreciation	7,650,892		0.8	7,710,811		1.9	7,563,952	
Total Operating Expense	71,734,272		(11.6)	63,388,865		(7.1)	68,270,042	
Operating Income (Loss)	(1,831,067)		(64.8)	(645,325)		-1.2X	2,993,202	
Nonoperating Revenue (Expense)								
Interest Income	159,717		(59.4)	64,790		(92.5)	859,527	
Interest Expense	(1,333)		(28.5)	(953)		(44.5)	(1,718)	
Total Nonoperating Revenue (Expense)	158,384		(59.7)	63,837		(92.6)	857,809	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(1,672,683)		(65.2)	(581,488)		-1.2X	3,851,011	
Capital Contributions	---			14,168			41,584	
Write Off - Loan to Communications	(25,327,000)			(25,327,000)			---	
Change in Net Position	(26,999,683)		(4.1)	(25,894,320)		-7.7X	3,892,595	
Beginning Net Position	156,271,838			156,271,838			154,726,057	
Ending Net Position	\$129,272,155			\$130,377,518			\$158,618,652	
Net Income (Loss) Before Rev Adj to Op Revenue	(2.4)			(0.9)			5.4	
Change in Net Position to Operating Revenue	(38.6)			(41.3)			5.5	

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

ASSETS

	<u>2015</u>	<u>2014</u>
Current Assets:		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$12,467,161	\$21,329,449
Investments	7,000,000	5,500,000
Receivables:		
Consumer Accounts	5,978,253	5,731,520
Refined Coal	3,232,068	2,991,435
Wholesale	310,453	61,890
Steam Sales	1,056,322	843,036
Interest	22,845	225,934
Inventories	5,970,252	6,085,187
Fuel	13,033,111	3,287,727
Prepaid Expenses	1,051,442	938,058
	<hr/>	<hr/>
Total Unrestricted Current Assets	50,121,907	46,994,236
	<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	63,188,046	60,036,724
	<hr/>	<hr/>
Property and Equipment:		
At Cost	418,139,380	414,400,330
Less Accumulated Depreciation	338,395,714	328,484,643
	<hr/>	<hr/>
Net Property and Equipment	79,743,666	85,915,687
	<hr/>	<hr/>
Other Assets:		
Note Receivable - Communications Utility	10,000,000	35,327,000
Note Receivable - Water Utility	2,900,000	1,650,000
Joint Venture Rights	104,426	105,031
	<hr/>	<hr/>
Total Other Assets	13,004,426	37,082,031
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$155,936,138</u>	<u>\$183,034,442</u>

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2015</u>	<u>2014</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$5,918,060	\$5,053,622
Pension Provision	986,683	939,282
Health & Dental Insurance Provision	289,930	229,100
Accrued Payroll	707,285	598,277
Accrued Vacation	1,165,558	1,100,693
Accrued Emission Allowance Expense	260,957	68,900
Consumers' Deposits	732,047	650,745
Retained Percentage on Contracts	622	---
Accrued Property Taxes	118,613	117,132
Miscellaneous Accrued Expenses	625,072	591,869
Unearned Revenue	112,755	---
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	10,917,582	9,349,620
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,042,507	1,465,368
Post-Employment Health Benefit Provision	381,926	387,566
Consumer Advances for Construction	183,739	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	1,608,172	2,033,304
	<hr/>	<hr/>
Deferred Inflows of Resources - Extraordinary O & M	13,032,866	13,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	79,743,666	85,915,687
Restricted	13,066,139	13,042,488
Unrestricted	37,567,713	59,660,477
	<hr/>	<hr/>
Total Net Position	130,377,518	158,618,652
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$155,936,138</u>	<u>\$183,034,442</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,584,797	\$35,134,063
MISO sales	3,841,096	20,613,558
Steam sales	991,774	6,860,263
Coal sales	4,173,360	29,006,155
Railcar/facilities leasing	5,200	41,600
By-product sales	43,491	254,643
Miscellaneous sources	9,447	361,264
Cash paid to/for:		
Suppliers	(744,449)	(9,981,326)
MISO purchases/administration fees	(2,749,649)	(15,601,879)
Coal purchases	(7,452,527)	(53,188,827)
Employees payroll, taxes and benefits	(2,083,861)	(12,465,741)
Net cash flows from operating activities	<u>618,679</u>	<u>1,033,773</u>
Cash flows from noncapital financing activities:		
Interest received on notes receivable from water & communications utilities	---	650,577
Loan to Water Utility	---	(1,000,000)
Net cash flows from noncapital financing activities	<u>---</u>	<u>(349,423)</u>
Cash flows from capital financing activities:		
Capital expenditures, net	<u>(454,889)</u>	<u>(2,956,065)</u>
Net cash flows from capital and related financing activities	<u>(454,889)</u>	<u>(2,956,065)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(70,755)
Interest received on investments	4,304	41,304
Net cash flows from investing activities	<u>4,304</u>	<u>(29,451)</u>
Net increase (decrease) in cash and investments	<u>168,094</u>	<u>(2,301,166)</u>
Cash and investments at beginning of period	<u>32,365,206</u>	<u>34,834,466</u>
Cash and investments at end of period	<u>\$32,533,300</u>	<u>\$32,533,300</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	\$489,585	(\$645,325)
Noncash items in operating income:		
Depreciation of electric utility plant	963,852	7,710,811
Amortization of joint venture rights	9,094	65,824
Changes in assets and liabilities:		
Consumer accounts receivable	(359,158)	(454,871)
Refined coal	946,492	1,468,982
Wholesale receivable	299,638	717,330
Steam sales receivable	(15,844)	23,520
Inventories	64,086	(62,555)
Fuel	(733,550)	(6,307,427)
Prepaid expenses	125,815	(543,528)
Accounts payable	(984,748)	(2,108,901)
Pension provision	(246,670)	986,683
Health & dental insurance provision	(51,540)	(369,446)
Other post-employment benefit provision	(96,160)	(38,556)
Accrued payroll	83,495	199,415
Accrued vacation	(6,880)	34,735
Accrued emission allowance expense	47,997	192,359
Consumers' deposits	13,725	51,613
Retained Percentage	(18,683)	(73,272)
Accrued property taxes	8,341	18,059
Unearned revenue	(9,593)	55,562
Miscellaneous accrued expenses	89,385	112,761
	<u> </u>	<u> </u>
Net cash flows from operating activities	<u>\$618,679</u>	<u>\$1,033,773</u>

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$2,577,012</u>	25.1	<u>\$1,915,379</u>	22.7	<u>\$2,636,040</u>	32.8
Average price per kWh	\$0.0315		\$0.0246		\$0.0333	
<u>Generation</u>						
Operation Supervision	86,543		83,675		82,067	
Fuel:						
Coal	3,115,279		2,319,513		1,808,893	
Fuel Oil	17,500		687		258	
Gas	10,500		13,683		45,283	
Coal Handling Expense	77,714		77,314		53,259	
Landfill Operation Expense	7,428		4,987		1,088	
Emissions Allowance Expense	23,104		47,997		9,871	
Steam Expense:						
Boiler	101,016		112,599		92,712	
Pollution Control	59,331		92,384		38,503	
Electric Expense	111,910		99,217		92,542	
Miscellaneous Steam Power Expense	354,410		233,794		149,993	
Maintenance:						
Supervision	90,265		86,091		77,660	
Structures	89,321		69,310		125,779	
Boiler Plant:						
Boiler	244,734		175,166		108,521	
Pollution Control	51,641		34,514		38,540	
Electric Plant	52,706		47,117		36,537	
System Control	20,246		16,432		19,078	
Miscellaneous Steam Plant	70,740		78,181		70,958	
Coal Handling Equipment	65,458		82,619		114,316	
System Control and Load Dispatch	26,574		22,643		23,611	
Vacation, Holiday, Sick Leave	77,045		64,941		65,993	
Depreciation	626,278		636,060		624,707	
Total Generation Expense	<u>\$5,379,743</u>	52.4	<u>\$4,398,924</u>	52.0	<u>\$3,680,169</u>	45.8

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	\$18,384,249	26.3	\$14,787,722	23.6	\$20,830,647	29.2
Average price per kWh	\$0.0308		\$0.0251		\$0.0357	
 <u>Generation</u>						
Operation Supervision	703,085		659,759		641,755	
Fuel:						
Coal	20,157,898		17,359,837		18,084,978	
Fuel Oil	141,027		28,949		130,729	
Gas	130,000		130,677		346,749	
Coal Handling Expense	577,172		459,824		524,085	
Landfill Operation Expense	46,720		33,892		21,725	
Emissions Allowance Expense	139,058		261,747		68,900	
Steam Expense:						
Boiler	863,999		831,912		791,769	
Pollution Control	536,077		331,542		279,872	
Electric Expense	821,400		749,922		753,063	
Miscellaneous Steam Power Expense	2,079,269		1,643,737		1,218,649	
Maintenance:						
Supervision	695,706		704,311		662,792	
Structures	550,157		469,076		488,061	
Boiler Plant:						
Boiler	1,919,008		1,677,957		1,427,115	
Pollution Control	508,620		524,007		497,363	
Electric Plant	646,291		473,985		348,978	
System Control	168,124		140,252		148,765	
Miscellaneous Steam Plant	595,955		510,123		519,569	
Coal Handling Equipment	788,324		975,502		647,457	
System Control and Load Dispatch	226,352		211,682		202,514	
Vacation, Holiday, Sick Leave	747,583		761,478		793,885	
Depreciation	<u>5,010,220</u>		<u>5,088,480</u>		<u>4,997,656</u>	
 Total Generation Expense	 <u>\$38,052,045</u>	 54.4	 <u>\$34,028,651</u>	 54.2	 <u>\$33,596,429</u>	 47.1

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$4,802		\$5,584		\$4,457	
Load Dispatching	69,269		61,485		48,006	
Station Expense	8,342		12,898		10,479	
Overhead Line Expense	142		---		(712)	
Transmission of Electricity by Others	44,469		44,714		33,931	
Miscellaneous Transmission Expense	8,617		5,628		11,363	
Maintenance:						
Supervision	2,632		3,345		2,118	
Structures	894		---		---	
Station Equipment	6,375		3,753		8,424	
Overhead Lines	12,106		16,190		13,112	
Vacation, Holiday, Sick Leave	6,402		5,576		4,364	
Depreciation	30,810		30,688		30,688	
Tax on Rural Property	5,642		5,642		5,642	
Total Transmission Expense	<u>200,502</u>	2.0	<u>195,503</u>	2.3	<u>171,872</u>	2.1
<u>Distribution</u>						
Operation Supervision	12,692		16,125		12,422	
Load Dispatching	32,563		28,951		31,164	
Station Expense	7,152		5,946		7,049	
Overhead Line Expense	2,559		1,767		2,540	
Vehicle Expense	18,254		10,327		12,709	
Underground Line Expense	4,159		2,968		5,553	
Street Lighting	3,070		9,214		2,603	
Signal Expense	772		471		507	
Meter Expense	9,717		9,189		8,101	
Consumer Installation Expense	596		898		418	
Miscellaneous Distribution Expense	59,166		63,126		48,363	
Maintenance:						
Supervision	11,431		14,163		11,212	
Structures	912		---		---	
Station Equipment	9,885		8,332		7,520	
Overhead Lines	63,572		37,396		26,326	
Underground Lines	14,883		12,260		4,326	
Line Transformers	13,269		5,320		10,094	
Street Lighting	6,390		8,298		9,423	
Signal System	2,108		11,047		10,801	
Meters	1,973		3,586		(1,365)	
Miscellaneous Distribution Plant	2,500		2,193		3,753	
Vacation, Holiday, Sick Leave	23,984		23,247		20,559	
Depreciation	164,368		163,755		158,237	
Tax on Rural Property	1,685		1,685		1,685	
Total Distribution Expense	<u>\$467,660</u>	4.6	<u>\$440,264</u>	5.2	<u>\$394,000</u>	4.9

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$37,578		\$39,281		\$34,346	
Load Dispatching	480,361		477,117		461,937	
Station Expense	58,139		84,463		107,598	
Overhead Line Expense	716		3,013		3,156	
Transmission of Electricity by Others	355,755		399,807		242,719	
Miscellaneous Transmission Expense	184,736		50,965		52,221	
Maintenance:						
Supervision	20,596		21,512		16,138	
Structures	9,600		---		---	
Station Equipment	121,162		29,740		44,864	
Overhead Lines	97,054		205,820		101,902	
Vacation, Holiday, Sick Leave	60,732		57,222		49,433	
Depreciation	246,481		245,503		245,504	
Tax on Rural Property	45,139		45,231		45,241	
Total Transmission Expense	<u>1,718,049</u>	2.5	<u>1,659,674</u>	2.6	<u>1,405,059</u>	2.0
<u>Distribution</u>						
Operation Supervision	95,214		104,299		95,608	
Load Dispatching	252,878		244,114		244,282	
Station Expense	60,588		57,722		80,549	
Overhead Line Expense	31,854		23,394		15,212	
Vehicle Expense	146,031		113,818		121,363	
Underground Line Expense	30,726		31,184		25,762	
Street Lighting	24,175		35,099		17,428	
Signal Expense	5,841		1,020		2,396	
Meter Expense	75,956		67,475		71,650	
Consumer Installation Expense	4,661		3,802		5,152	
Miscellaneous Distribution Expense	435,910		449,750		410,657	
Maintenance:						
Supervision	83,509		90,534		86,001	
Structures	13,106		---		1,498	
Station Equipment	78,371		97,884		61,325	
Overhead Lines	448,904		423,620		321,862	
Underground Lines	113,820		114,284		56,264	
Line Transformers	49,831		38,853		37,067	
Street Lighting	52,180		49,835		47,743	
Signal System	25,430		35,956		46,723	
Meters	20,459		14,408		12,824	
Miscellaneous Distribution Plant	20,000		27,136		25,952	
Vacation, Holiday, Sick Leave	233,166		239,751		214,142	
Depreciation	1,314,944		1,310,037		1,265,896	
Tax on Rural Property	13,483		13,510		13,508	
Total Distribution Expense	<u>\$3,631,037</u>	5.2	<u>\$3,587,485</u>	5.7	<u>\$3,280,864</u>	4.6

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$6,116		\$2,476		\$4,550	
Energy Efficiency Rebates	19,109		11,141		18,668	
Electric Ranges/Dryers Maintenance	409		273		650	
Electric Water Heaters Maintenance	146		---		83	
Total Customer Service Expense	<u>25,780</u>	0.3	<u>13,890</u>	0.2	<u>23,951</u>	0.3
<u>Consumer Accounts</u>						
Supervision	3,086		3,504		3,078	
Meter Reading Expense	9,075		8,220		10,484	
Consumer Records and Collection	36,202		36,076		32,509	
Uncollectible Accounts Expense	4,565		4,565		4,317	
Vacation, Holiday, Sick Leave	3,724		2,709		3,768	
Total Consumer Accounts Expense	<u>56,652</u>	0.6	<u>55,074</u>	0.7	<u>54,156</u>	0.7
<u>Administrative and General</u>						
Administrative and General Salaries	178,378		174,101		166,751	
Office Supplies and Expenses	17,239		17,466		14,239	
Outside Services Employed	76,957		18,750		19,635	
Property Insurance	60,894		58,782		59,470	
Casualty Ins, Injuries & Damages	41,551		26,994		27,423	
Employee Pensions and Benefits	518,251		403,985		482,877	
Fringe Benefits Charged to Constr.	(29,956)		(30,798)		(28,062)	
Regulatory Commission	7,311		7,345		8,057	
Miscellaneous General Expense	33,924		32,048		22,797	
Maintenance of General Plant	30,433		21,886		24,424	
Maintenance of A/O Center	52,821		61,543		32,677	
Vacation, Holiday, Sick Leave	22,053		20,925		18,332	
Depreciation	134,906		133,349		131,862	
Total Administrative and General	<u>1,144,762</u>	11.2	<u>946,376</u>	11.2	<u>980,482</u>	12.2
Total Operating Expense	<u>\$9,852,111</u>		<u>\$7,965,410</u>		<u>\$7,940,670</u>	
Percent to Operating Revenue		96.0		94.2		98.9

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$97,911		\$55,199		\$47,074	
Energy Efficiency Rebates	156,861		101,813		133,734	
Electric Ranges/Dryers Maintenance	3,372		1,820		3,176	
Electric Water Heaters Maintenance	<u>1,210</u>		<u>658</u>		<u>558</u>	
Total Customer Service Expense	<u>\$259,354</u>	0.4	<u>\$159,490</u>	0.3	<u>\$184,542</u>	0.3
<u>Consumer Accounts</u>						
Supervision	24,103		25,704		24,002	
Meter Reading Expense	74,228		74,504		77,251	
Consumer Records and Collection	285,432		277,604		260,088	
Uncollectible Accounts Expense	36,517		36,517		34,532	
Vacation, Holiday, Sick Leave	<u>36,358</u>		<u>34,523</u>		<u>38,342</u>	
Total Consumer Accounts Expense	<u>456,638</u>	0.7	<u>448,852</u>	0.7	<u>434,215</u>	0.6
<u>Administrative and General</u>						
Administrative and General Salaries	1,395,707		1,337,877		1,325,256	
Office Supplies and Expenses	134,814		139,938		115,802	
Outside Services Employed	485,009		320,037		330,038	
Property Insurance	482,349		472,320		462,856	
Casualty Ins, Injuries & Damages	336,608		418,256		343,727	
Employee Pensions and Benefits	4,225,989		3,999,688		4,039,989	
Fringe Benefits Charged to Constr.	(200,008)		(189,599)		(205,224)	
Regulatory Commission	58,485		58,362		58,520	
Miscellaneous General Expense	375,201		338,121		291,978	
Maintenance of General Plant	266,703		232,525		232,268	
Maintenance of A/O Center	379,416		295,769		275,904	
Vacation, Holiday, Sick Leave	213,380		226,906		212,276	
Depreciation	<u>1,079,247</u>		<u>1,066,791</u>		<u>1,054,896</u>	
Total Administrative and General	<u>9,232,900</u>	13.2	<u>8,716,991</u>	13.9	<u>8,538,286</u>	12.0
Total Operating Expense	<u>\$71,734,272</u>		<u>\$63,388,865</u>		<u>\$68,270,042</u>	
Percent to Operating Revenue		102.6		101.0		95.8

Muscatine Power and Water - Electric Utility
Statistical Data
August 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	\$1.850
Per Net MW Generated	\$20.57	\$23.60
Net Peak Monthly Demand-KW	134,650	133,250
Date of Peak	8/31	8/25
Hour of Peak	1500	1600
	<u>Calendar Year-To-Date</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.890	\$1.869
Per Net MW Generated	\$21.02	\$22.06
Net Peak Monthly Demand-KW	134,650	133,250
Date of Peak	8/31	8/25
Hour of Peak	1500	1600
Average Temperature	69.9°	71.5°
<u>Services</u>	<u>2015</u>	<u>2014</u>
Residential	9,788	9,750
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	35
Total	<u>11,339</u>	<u>11,306</u>

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

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
Wholesale kWh Sales	114,646,457		87,359,359		64,084,163	
Wholesale Sales	\$4,026,932	\$0.03512	\$2,449,811	\$0.02804	\$2,473,360	\$0.03860
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	2,545,297	0.02220	1,694,226	0.01939	1,437,140	0.02243
Emissions:						
SO ² Allowances-ARP ^{fn1}	167	0.00000	59	0.00000	---	---
SO ² Allowances-CASPR ^{fn2}	---	---	671	0.00001	---	---
SO ² Allowances-CAIR ^{fn3}	117	0.00000	---	---	70	0.00000
NO _x Allowances ^{fn4}	8,209	0.00007	65,068	0.00074	14,303	0.00022
Other ^{fn5}	193,507	0.00169	185,110	0.00212	184,962	0.00289
Total Variable Costs	2,747,297	0.02396	1,945,134	0.02227	1,636,475	0.02554
Gross Margin	\$1,279,635	\$0.01116	\$504,677	\$0.00578	\$836,885	\$0.01306
Percent Gross Margin	31.8%		20.6%		33.8%	

Calendar Year To Date

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
Wholesale kWh Sales	733,242,271		665,727,458		687,736,719	
Wholesale Sales	\$26,604,638	\$0.03628	\$19,286,451	\$0.02897	\$30,141,245	\$0.04383
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	16,032,503	0.02187	13,381,958	0.02010	14,460,548	0.02103
Emissions:						
SO ² Allowances-ARP ^{fn1}	1,450	0.00000	240	0.00000	---	---
SO ² Allowances-CASPR ^{fn2}	---	---	14,943	0.00002	---	---
SO ² Allowances-CAIR ^{fn3}	1,016	0.00000	---	---	473	0.00000
NO _x Allowances ^{fn4}	56,383	0.00008	223,995	0.00034	141,748	0.00021
Other ^{fn5}	1,548,056	0.00211	1,522,865	0.00229	1,488,251	0.00216
Total Variable Costs	17,639,408	0.02406	15,144,001	0.02275	16,091,020	0.02340
Gross Margin	\$8,965,230	\$0.01223	\$4,142,450	\$0.00622	\$14,050,225	\$0.02043
Percent Gross Margin	33.7%		21.5%		46.6%	

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

	Budget	2015	2014
fn1 SO ² ARP	\$2.00	\$0.75	\$0.00
YTD SO ² ARP	2.00	0.79	0.00
fn2 SO ² CASPR	0.00	8.50	0.00
YTD SO ² CASPR	0.00	49.00	0.00
fn3 SO ² CAIR	0.70	0.00	0.90
YTD SO ² CAIR	0.70	0.00	0.81
fn4 NO _x annual	49.00	172.50	59.50
NO _x seasonal	10.00	285.00	31.50
YTD NO _x annual	49.00	157.09	57.41
YTD NO _x seasonal	10.00	239.06	25.86

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