

Muscatine Power and Water

Electric Utility

Statement of Revenues, Expenses and Changes in Net Position

September 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 - September 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	68,106,168	(12.0)	59,944,374	(9.7)	66,401,254
Less: Plant Use	<u>7,019,640</u>	2.0	<u>7,163,354</u>	(18.8)	<u>8,820,083</u>
Net Generation/Wholesale Sales	<u><u>61,086,528</u></u>	(13.6)	<u><u>52,781,020</u></u>	(8.3)	<u><u>57,581,171</u></u>
<u>Net Capacity Factors</u>					
Unit 9	35.00	(9.9)	31.55	(15.8)	37.48
Unit 8/8A	53.42	(36.7)	33.83	(23.8)	44.37
Unit 7	20.00	48.0	29.60	---	---
Total Plant	36.92	(13.9)	31.78	(8.7)	34.80
<u>KWH Distribution</u>					
Residential	10,074,000	(0.1)	10,061,977	7.6	9,355,127
Commercial I	3,714,000	(6.0)	3,491,168	6.1	3,291,436
Commercial II	9,557,000	(3.2)	9,247,320	(0.4)	9,283,360
Industrial I	10,572,297	(0.1)	10,557,000	2.2	10,328,560
Industrial II	38,250,000	1.1	38,669,743	3.2	37,479,437
City Enterprise Funds	360,604	14.5	412,927	(0.7)	415,919
Water & Communications Utilities	<u>1,423,689</u>	15.1	<u>1,638,616</u>	20.0	<u>1,365,545</u>
Native System Sales	73,951,590	0.2	74,078,751	3.6	71,519,384
City Lighting	174,000	(11.4)	154,138	(3.6)	159,912
City Buildings	550,000	3.8	570,802	3.8	549,940
Offline Power Plant Usage	633,628	(0.0)	633,353	83.8	344,658
Losses & Cycle Billing	<u>2,213,399</u>	(53.8)	<u>1,021,976</u>	-2.1X	<u>(941,723)</u>
Total Native System KWH Distributed/Purchased Power	<u><u>77,522,617</u></u>	(1.4)	<u><u>76,459,020</u></u>	6.7	<u><u>71,632,171</u></u>
 <u>STEAM SALES - 1000 lbs</u>	 <u><u>223,438</u></u>	 22.5	 <u><u>273,731</u></u>	 1.3X	 <u><u>118,280</u></u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - September 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	879,611,087	(8.1)	808,348,925	(3.4)	836,570,803
Less: Plant Use	<u>85,282,288</u>	5.3	<u>89,840,447</u>	(1.5)	<u>91,252,912</u>
Net Generation/Wholesale Sales	<u><u>794,328,799</u></u>	(9.5)	<u><u>718,508,478</u></u>	(3.6)	<u><u>745,317,891</u></u>
<u>Net Capacity Factors</u>					
Unit 9	57.13	(0.4)	56.91	11.0	51.26
Unit 8/8A	51.57	(36.0)	33.01	(41.8)	56.70
Unit 7	26.06	(58.8)	10.74	(56.9)	24.94
Total Plant	52.76	(9.9)	47.56	(3.9)	49.49
<u>KWH Distribution</u>					
Residential	84,720,000	(5.8)	79,780,652	(1.8)	81,264,477
Commercial I	31,236,000	(9.7)	28,201,389	(2.4)	28,888,834
Commercial II	80,372,500	3.1	82,888,080	6.2	78,029,804
Industrial I	91,803,246	(1.0)	90,904,200	3.8	87,602,940
Industrial II	340,750,000	(0.3)	339,852,956	0.8	337,074,314
City Enterprise Funds	3,855,220	5.4	4,062,159	6.3	3,820,370
Water & Communications Utilities	<u>12,680,216</u>	7.5	<u>13,628,430</u>	9.2	<u>12,477,769</u>
Native System Sales	645,417,182	(0.9)	639,317,866	1.6	629,158,508
City Lighting	1,549,000	(10.4)	1,388,411	(4.7)	1,456,630
City Buildings	4,907,500	5.0	5,152,396	(4.5)	5,393,832
Offline Power Plant Usage	2,164,181	(12.4)	1,896,323	(25.0)	2,527,458
Losses & Cycle Billing	<u>19,446,016</u>	(6.8)	<u>18,116,812</u>	6.1	<u>17,073,005</u>
Total Native System KWH Distributed/Purchased Power	<u><u>673,483,879</u></u>	(1.1)	<u><u>665,871,808</u></u>	1.6	<u><u>655,609,433</u></u>
 <u>STEAM SALES - 1000 lbs</u>	 <u><u>2,020,261</u></u>	 1.2	 <u><u>2,044,041</u></u>	 5.1	 <u><u>1,944,195</u></u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Current Month - September 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	\$1,049,970	\$ 0.10423	(2.0)	\$1,028,531	\$ 0.10222	8.7	\$946,388	\$ 0.10116
Commercial I	373,212	0.10049	(9.6)	337,503	0.09667	8.6	310,828	0.09444
Commercial II	743,275	0.07777	(6.4)	695,369	0.07520	5.3	660,180	0.07111
Industrial I	649,116	0.06140	(2.2)	634,516	0.06010	4.6	606,407	0.05871
Industrial II	1,827,686	0.04778	2.7	1,877,552	0.04855	5.4	1,781,681	0.04754
City Enterprise Funds	27,471	0.07618	16.1	31,892	0.07723	4.4	30,551	0.07345
Water & Communication Utilities	85,394	0.05998	12.3	95,865	0.05850	12.6	85,123	0.06234
Native System Sales	4,756,124	0.06431	(1.2)	4,701,228	0.06346	6.3	4,421,158	0.06182
Wholesale Sales	2,059,004	0.03371	(32.5)	1,389,629	0.02633	(36.7)	2,195,907	0.03814
Energy Sales	6,815,128		(10.6)	6,090,857		(8.0)	6,617,065	
Steam Sales	933,958	4.18	12.0	1,045,728	3.82	1.2X	466,962	3.95
Other Revenue								
By-Product Revenue	16,527		1.7X	44,442		17.7	37,746	
Miscellaneous Revenue	53,144		7.3	57,012		1.1	56,383	
Total Other Revenue	69,671		45.6	101,454		7.8	94,129	
Operating Revenue	7,818,757		(7.4)	7,238,039		0.8	7,178,156	
Operating Expense								
Purchased Power	2,141,282	0.02762	(18.2)	1,752,615	0.02292	(21.3)	2,226,462	0.03108
Production Fuel	1,958,984		(12.4)	1,715,214		3.0	1,664,480	
Emissions Allowance	16,536		1.4X	39,555		2.5X	11,347	
Operation	2,070,599		8.0	2,236,925		20.4	1,858,467	
Maintenance	1,149,691		23.2	1,416,394		90.1	745,098	
Depreciation	956,362		0.8	963,852		1.9	945,494	
Total Operating Expense	8,293,454		(2.0)	8,124,555		9.0	7,451,348	
Operating Loss	(474,697)		86.8	(886,516)		2.2X	(273,192)	
Nonoperating Revenue (Expense)								
Interest Income	16,196		(44.6)	8,969		(91.7)	108,311	
Interest Expense	(167)		(34.7)	(109)		9.0	(100)	
Total Nonoperating Revenue (Expense)	16,029		(44.7)	8,860		(91.8)	108,211	
Net Loss Before Revenue Adjustment	(458,668)		91.3	(877,656)		4.3X	(164,981)	
Capital Contributions	---			---			---	
Change in Net Position	(458,668)		91.3	(877,656)		4.3X	(164,981)	
Beginning Net Position	129,272,155			130,377,518			158,618,652	
Ending Net Position	\$128,813,487			\$129,499,862			\$158,453,671	
Net Loss Before Rev Adj to Op Revenue	(5.9)			(12.1)			(2.3)	
Change in Net Position to Operating Revenue	(5.9)			(12.1)			(2.3)	

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Position
Calendar Year-to-Date - September 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
<u>Sales of Electricity</u>								
Residential	\$8,553,594	\$ 0.10096	(3.3)	\$8,270,008	\$ 0.10366	4.7	\$7,896,381	\$ 0.09717
Commercial I	2,982,891	0.09550	(8.9)	2,717,671	0.09637	5.5	2,576,983	0.08920
Commercial II	5,846,889	0.07275	4.2	6,092,644	0.07350	16.0	5,250,020	0.06728
Industrial I	5,376,310	0.05856	1.4	5,451,463	0.05997	8.5	5,022,326	0.05733
Industrial II	16,201,042	0.04755	3.7	16,800,049	0.04943	5.2	15,965,633	0.04737
City Enterprise Funds	266,980	0.06925	10.2	294,256	0.07244	15.1	255,743	0.06694
Water & Communications Utilities	732,004	0.05773	13.5	831,027	0.06098	17.1	709,941	0.05690
Native System Sales	39,959,710	0.06191	1.2	40,457,118	0.06328	7.4	37,677,027	0.05988
Wholesale Sales	28,663,642	0.03609	(27.9)	20,676,079	0.02878	(36.1)	32,337,152	0.04339
Energy Sales	68,623,352		(10.9)	61,133,197		(12.7)	70,014,179	
Steam Sales	8,375,870	4.15	(2.7)	8,149,025	3.99	8.0	7,546,064	3.88
<u>Other Revenue</u>								
Rail Car Lease	—			—		-1.0X	68,627	
By-Product Revenue	243,089		(5.7)	229,118		(31.2)	333,160	
Miscellaneous Revenue	479,650		(2.0)	470,239		(1.9)	479,369	
Total Other Revenue	722,739		(3.2)	699,357		(20.6)	881,156	
Operating Revenue	77,721,961		(10.0)	69,981,579		(10.8)	78,441,399	
<u>Operating Expense</u>								
Purchased Power	20,525,530	0.03048	(19.4)	16,540,337	0.02484	(28.3)	23,057,108	0.03517
Production Fuel	23,011,800		(14.3)	19,728,394		(5.0)	20,772,748	
Emissions Allowance	155,594		93.6	301,303		2.8X	80,247	
Operation	18,905,533		(6.4)	17,699,243		7.6	16,448,309	
Maintenance	8,822,017		(2.9)	8,569,482		25.0	6,853,531	
Depreciation	8,607,253		0.8	8,674,661		1.9	8,509,446	
Total Operating Expense	80,027,727		(10.6)	71,513,420		(5.6)	75,721,389	
Operating Income (Loss)	(2,305,766)		(33.6)	(1,531,841)		-1.6X	2,720,010	
<u>Nonoperating Revenue (Expense)</u>								
Interest Income	175,913		(58.1)	73,759		(92.4)	967,838	
Interest Expense	(1,500)		(29.2)	(1,062)		(41.6)	(1,818)	
Total Nonoperating Revenue (Expense)	174,413		(58.3)	72,697		(92.5)	966,020	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(2,131,353)		(31.5)	(1,459,144)		-1.4X	3,686,030	
Capital Contributions	—			14,168			41,584	
Write Off - Loan to Communications	(25,327,000)			(25,327,000)			—	
Change in Net Position	(27,458,353)		(2.5)	(26,771,976)		-8.2X	3,727,614	
Beginning Net Position	156,271,838			156,271,838			154,726,057	
Ending Net Position	\$128,813,485			\$129,499,862			\$158,453,671	
Net Income (Loss) Before Rev Adj to Op Revenue	(2.7)			(2.1)			4.7	
Change in Net Position to Operating Revenue	(35.3)			(38.3)			4.8	

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

ASSETS

	<u>2015</u>	<u>2014</u>
Current Assets:		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$12,356,275	\$21,055,182
Investments	7,000,000	5,500,000
Receivables:		
Consumer Accounts	5,960,636	5,980,979
Refined Coal	2,647,518	2,629,520
Wholesale	173,776	12,137
Steam Sales	1,046,080	529,727
Interest	31,479	333,787
Inventories	5,847,093	5,988,228
Fuel	13,170,353	3,494,660
Prepaid Expenses	886,956	812,753
	<hr/>	<hr/>
Total Unrestricted Current Assets	49,120,166	46,336,973
	<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	62,186,305	59,379,461
	<hr/>	<hr/>
Property and Equipment:		
At Cost	419,369,389	414,669,652
Less Accumulated Depreciation	339,356,983	329,353,275
	<hr/>	<hr/>
Net Property and Equipment	80,012,406	85,316,377
	<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	96,336	96,871
	<hr/>	<hr/>
Total Other Assets	12,996,336	37,073,871
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$155,195,047</u>	<u>\$181,769,709</u>

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	<u>2015</u>	<u>2014</u>
Current Liabilities:		
<u>Unrestricted</u>		
Accounts Payable	\$6,140,117	\$4,538,829
Pension Provision	740,012	582,190
Health & Dental Insurance Provision	289,930	229,100
Accrued Payroll	235,246	222,645
Accrued Vacation	1,170,685	1,112,255
Accrued Emission Allowance Expense	300,512	80,247
Consumers' Deposits	738,610	661,559
Retained Percentage on Contracts	9,944	---
Accrued Property Taxes	81,510	33,713
Miscellaneous Accrued Expenses	1,167,639	756,736
Unearned Revenue	98,662	---
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	10,972,867	8,217,274
	<hr/>	<hr/>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,123,787	1,489,733
Post-Employment Health Benefit Provision	381,926	395,795
Consumer Advances for Construction	183,739	180,370
	<hr/>	<hr/>
Total Non-Current Liabilities	1,689,452	2,065,898
	<hr/>	<hr/>
Deferred Inflows of Resources - Extraordinary O & M	13,032,866	13,032,866
	<hr/>	<hr/>
Net Position:		
Net Investment in Capital Assets	80,012,406	85,316,377
Restricted	13,066,139	13,042,488
Unrestricted	36,421,317	60,094,806
	<hr/>	<hr/>
Total Net Position	129,499,862	158,453,671
	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$155,195,047</u>	<u>\$181,769,709</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,698,619	\$39,832,682
MISO sales	2,627,871	23,241,429
Steam sales	1,008,815	7,869,078
Coal sales	3,226,660	32,232,815
Railcar/facilities leasing	5,408	47,008
By-product sales	---	254,643
Miscellaneous sources	121,605	482,869
Cash paid to/for:		
Suppliers	(747,200)	(8,644,664)
MISO purchases/administration fees	(2,263,090)	(17,864,970)
Coal purchases	(5,485,908)	(58,674,734)
Employees payroll, taxes and benefits	(2,503,920)	(17,053,522)
Net cash flows from operating activities	<u>688,860</u>	<u>1,722,634</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>(800,080)</u>	<u>(3,756,145)</u>
Net cash flows from capital and related financing activities	<u>(800,080)</u>	<u>(3,756,145)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	---	(70,755)
Interest received on investments	334	41,637
Net cash flows from investing activities	<u>334</u>	<u>(29,118)</u>
Net decrease in cash and investments	<u>(110,886)</u>	<u>(2,412,052)</u>
Cash and investments at beginning of period	<u>32,533,300</u>	<u>34,834,466</u>
Cash and investments at end of period	<u>\$32,422,414</u>	<u>\$32,422,414</u>

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

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$886,516)	(\$1,531,841)
Noncash items in operating income:		
Depreciation of electric utility plant	963,852	8,674,661
Amortization of joint venture rights	8,090	73,914
Changes in assets and liabilities:		
Consumer accounts receivable	17,617	(437,254)
Refined coal	584,550	2,053,532
Wholesale receivable	136,677	854,007
Steam sales receivable	10,242	33,762
Inventories	123,159	60,604
Fuel	(137,242)	(6,444,669)
Prepaid expenses	164,486	(379,042)
Accounts payable	(210,455)	(2,319,356)
Pension provision	(246,671)	740,012
Health & dental insurance provision	81,280	(288,166)
Other post-employment benefit provision	0	(38,556)
Accrued payroll	(472,039)	(272,624)
Accrued vacation	5,127	39,862
Accrued emission allowance expense	39,555	231,914
Consumers' deposits	6,563	58,176
Retained Percentage	9,322	(63,950)
Accrued property taxes	(37,103)	(19,044)
Unearned revenue	(14,093)	98,662
Miscellaneous accrued expenses	542,459	598,030
	<u>\$688,860</u>	<u>\$1,722,634</u>
Net cash flows from operating activities	<u>\$688,860</u>	<u>\$1,722,634</u>

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$2,141,282</u>	27.4	<u>\$1,752,615</u>	24.2	<u>\$2,226,462</u>	31.0
Average price per kWh	\$0.0276		\$0.0229		\$0.0311	
<u>Generation</u>						
Operation Supervision	102,226		93,195		83,728	
Fuel:						
Coal	1,856,140		1,574,280		1,581,070	
Fuel Oil	17,500		30,622		228	
Gas	10,000		12,390		21,067	
Coal Handling Expense	60,465		83,635		54,099	
Landfill Operation Expense	14,879		14,287		8,016	
Emissions Allowance Expense	16,536		39,555		11,347	
Steam Expense:						
Boiler	122,795		105,344		160,143	
Pollution Control	63,965		25,126		82,959	
Electric Expense	109,360		93,645		92,646	
Miscellaneous Steam Power Expense	216,251		230,872		189,077	
Maintenance:						
Supervision	92,362		94,672		83,323	
Structures	88,433		45,886		46,362	
Boiler Plant:						
Boiler	255,639		410,325		182,256	
Pollution Control	211,657		151,548		56,865	
Electric Plant	86,324		262,062		19,086	
System Control	19,588		16,325		18,175	
Miscellaneous Steam Plant	84,076		86,272		84,758	
Coal Handling Equipment	78,419		124,220		47,556	
System Control and Load Dispatch	27,468		26,015		20,534	
Vacation, Holiday, Sick Leave	111,772		101,315		96,936	
Depreciation	<u>626,278</u>		<u>636,060</u>		<u>624,707</u>	
Total Generation Expense	<u>\$4,272,133</u>	54.6	<u>\$4,257,651</u>	58.8	<u>\$3,564,938</u>	49.7

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

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$20,525,530</u>	26.4	<u>\$16,540,337</u>	23.6	<u>\$23,057,108</u>	29.4
Average price per kWh	\$0.0305		\$0.0248		\$0.0352	
 <u>Generation</u>						
Operation Supervision	805,311		752,954		725,483	
Fuel:						
Coal	22,014,038		18,934,117		19,666,048	
Fuel Oil	158,527		59,572		130,958	
Gas	140,000		143,067		367,817	
Coal Handling Expense	637,637		543,459		578,184	
Landfill Operation Expense	61,598		48,179		29,741	
Emissions Allowance Expense	155,594		301,303		80,247	
Steam Expense:						
Boiler	986,794		937,256		951,912	
Pollution Control	600,041		356,668		362,831	
Electric Expense	930,760		843,567		845,709	
Miscellaneous Steam Power Expense	2,295,520		1,874,608		1,407,726	
Maintenance:						
Supervision	788,068		798,983		746,115	
Structures	638,590		514,962		534,423	
Boiler Plant:						
Boiler	2,174,646		2,088,282		1,609,371	
Pollution Control	720,278		675,555		554,228	
Electric Plant	732,615		736,047		368,063	
System Control	187,713		156,577		166,940	
Miscellaneous Steam Plant	680,031		596,395		604,327	
Coal Handling Equipment	866,742		1,099,722		695,012	
System Control and Load Dispatch	253,820		237,697		223,048	
Vacation, Holiday, Sick Leave	859,355		862,793		890,821	
Depreciation	<u>5,636,498</u>		<u>5,724,540</u>		<u>5,622,363</u>	
 Total Generation Expense	 <u>\$42,324,176</u>	 54.5	 <u>\$38,286,303</u>	 54.7	 <u>\$37,161,367</u>	 47.4

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$4,802		\$5,987		\$4,029	
Load Dispatching	59,182		56,920		48,755	
Station Expense	6,838		11,392		13,241	
Overhead Line Expense	---		672		236	
Transmission of Electricity by Others	44,469		48,647		30,857	
Miscellaneous Transmission Expense	7,182		6,102		12,395	
Maintenance:						
Supervision	2,632		3,354		2,008	
Structures	987		---		---	
Station Equipment	6,002		8,344		13,723	
Overhead Lines	11,905		8,427		9,083	
Vacation, Holiday, Sick Leave	9,045		7,879		7,528	
Depreciation	30,810		30,688		30,688	
Tax on Rural Property	5,642		6,059		6,033	
Total Transmission Expense	<u>189,496</u>	2.4	<u>194,471</u>	2.7	<u>178,576</u>	2.5
<u>Distribution</u>						
Operation Supervision	12,111		16,204		11,882	
Load Dispatching	32,838		29,720		34,829	
Station Expense	8,198		8,939		9,714	
Overhead Line Expense	2,559		5,987		2,535	
Vehicle Expense	18,275		9,480		14,781	
Underground Line Expense	3,716		3,287		3,365	
Street Lighting	3,070		(3,428)		2,235	
Signal Expense	772		236		(328)	
Meter Expense	9,484		6,755		10,720	
Consumer Installation Expense	566		808		108	
Miscellaneous Distribution Expense	55,589		63,747		58,545	
Maintenance:						
Supervision	10,539		14,091		10,813	
Structures	849		---		---	
Station Equipment	8,397		6,649		10,648	
Overhead Lines	62,659		82,564		48,681	
Underground Lines	11,783		13,393		9,705	
Line Transformers	3,318		2,950		5,024	
Street Lighting	6,390		18,978		10,097	
Signal System	4,853		6,804		1,957	
Meters	2,372		2,790		5,233	
Miscellaneous Distribution Plant	2,500		2,379		3,607	
Vacation, Holiday, Sick Leave	35,146		32,703		35,386	
Depreciation	164,368		163,755		158,237	
Tax on Rural Property	1,685		1,810		1,802	
Total Distribution Expense	<u>\$462,037</u>	5.9	<u>\$490,601</u>	6.8	<u>\$449,576</u>	6.3

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Transmission</u>						
Operation Supervision	\$42,381		\$45,268		\$38,375	
Load Dispatching	539,544		534,037		510,692	
Station Expense	64,977		95,856		120,839	
Overhead Line Expense	716		3,685		3,392	
Transmission of Electricity by Others	400,225		448,454		273,576	
Miscellaneous Transmission Expense	191,918		57,067		64,616	
Maintenance:						
Supervision	23,228		24,867		18,146	
Structures	10,587		---		---	
Station Equipment	127,164		38,084		58,587	
Overhead Lines	108,958		214,246		110,984	
Vacation, Holiday, Sick Leave	69,777		65,101		56,961	
Depreciation	277,291		276,190		276,192	
Tax on Rural Property	50,781		51,290		51,274	
Total Transmission Expense	<u>1,907,547</u>	2.5	<u>1,854,145</u>	2.6	<u>1,583,634</u>	2.0
<u>Distribution</u>						
Operation Supervision	107,324		120,503		107,490	
Load Dispatching	285,716		273,834		279,111	
Station Expense	68,787		66,661		90,263	
Overhead Line Expense	34,413		29,381		17,747	
Vehicle Expense	164,306		123,298		136,145	
Underground Line Expense	34,442		34,471		29,126	
Street Lighting	27,245		31,672		19,662	
Signal Expense	6,613		1,256		2,069	
Meter Expense	85,441		74,230		82,370	
Consumer Installation Expense	5,228		4,610		5,260	
Miscellaneous Distribution Expense	491,500		513,497		469,202	
Maintenance:						
Supervision	94,048		104,625		96,814	
Structures	13,956		---		1,498	
Station Equipment	86,768		104,532		71,972	
Overhead Lines	511,563		506,184		370,544	
Underground Lines	125,603		127,677		65,969	
Line Transformers	53,149		41,802		42,091	
Street Lighting	58,570		68,813		57,840	
Signal System	30,283		42,760		48,680	
Meters	22,831		17,198		18,057	
Miscellaneous Distribution Plant	22,500		29,515		29,559	
Vacation, Holiday, Sick Leave	268,312		272,454		249,529	
Depreciation	1,479,312		1,473,792		1,424,133	
Tax on Rural Property	15,168		15,320		15,309	
Total Distribution Expense	<u>\$4,093,078</u>	5.3	<u>\$4,078,085</u>	5.8	<u>\$3,730,440</u>	4.8

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$3,910		\$6,007		\$3,077	
Energy Efficiency Rebates	19,108		3,731		9,043	
Electric Ranges/Dryers Maintenance	409		336		209	
Electric Water Heaters Maintenance	146		121		---	
Total Customer Service Expense	<u>23,573</u>	0.3	<u>10,195</u>	0.1	<u>12,329</u>	0.2
<u>Consumer Accounts</u>						
Supervision	3,086		2,503		3,341	
Meter Reading Expense	9,075		9,484		9,421	
Consumer Records and Collection	36,202		35,081		32,976	
Uncollectible Accounts Expense	4,565		4,565		4,317	
Vacation, Holiday, Sick Leave	5,514		4,785		5,494	
Total Consumer Accounts Expense	<u>58,442</u>	0.7	<u>56,418</u>	0.8	<u>55,549</u>	0.8
<u>Administrative and General</u>						
Administrative and General Salaries	178,343		187,165		172,379	
Office Supplies and Expenses	16,162		16,512		20,812	
Outside Services Employed	35,458		19,574		20,111	
Property Insurance	60,894		58,782		59,470	
Casualty Ins, Injuries & Damages	41,551		325,531		(16,484)	
Employee Pensions and Benefits	528,654		520,080		460,334	
Fringe Benefits Charged to Constr.	(30,226)		(35,431)		(34,905)	
Regulatory Commission	7,311		7,297		7,897	
Miscellaneous General Expense	43,008		46,932		37,461	
Maintenance of General Plant	38,573		18,188		35,199	
Maintenance of A/O Center	59,434		36,173		40,939	
Vacation, Holiday, Sick Leave	32,423		28,452		28,843	
Depreciation	134,906		133,349		131,862	
Total Administrative and General	<u>1,146,491</u>	14.7	<u>1,362,604</u>	18.8	<u>963,918</u>	13.4
Total Operating Expense	<u>\$8,293,454</u>		<u>\$8,124,555</u>		<u>\$7,451,348</u>	
Percent to Operating Revenue		106.1		112.2		103.8

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

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Customer Service Expense</u>						
Customer Information Expense	\$101,821		\$61,206		\$50,151	
Energy Efficiency Rebates	175,969		105,543		142,777	
Electric Ranges/Dryers Maintenance	3,780		2,156		3,384	
Electric Water Heaters Maintenance	<u>1,356</u>		<u>779</u>		<u>558</u>	
Total Customer Service Expense	<u>\$282,926</u>	0.4	<u>\$169,684</u>	0.2	<u>\$196,870</u>	0.3
<u>Consumer Accounts</u>						
Supervision	27,189		28,207		27,343	
Meter Reading Expense	83,303		83,988		86,672	
Consumer Records and Collection	321,634		312,685		293,064	
Uncollectible Accounts Expense	41,082		41,082		38,849	
Vacation, Holiday, Sick Leave	<u>41,871</u>		<u>39,308</u>		<u>43,836</u>	
Total Consumer Accounts Expense	<u>515,079</u>	0.7	<u>505,270</u>	0.7	<u>489,764</u>	0.6
<u>Administrative and General</u>						
Administrative and General Salaries	1,574,050		1,525,042		1,497,636	
Office Supplies and Expenses	150,976		156,450		136,614	
Outside Services Employed	520,467		339,612		350,150	
Property Insurance	543,243		531,102		522,326	
Casualty Ins, Injuries & Damages	378,159		743,788		327,244	
Employee Pensions and Benefits	4,754,643		4,519,768		4,500,322	
Fringe Benefits Charged to Constr.	(230,234)		(225,031)		(240,129)	
Regulatory Commission	65,796		65,659		66,417	
Miscellaneous General Expense	418,209		385,053		329,439	
Maintenance of General Plant	305,276		250,713		267,467	
Maintenance of A/O Center	438,850		331,943		316,844	
Vacation, Holiday, Sick Leave	245,804		255,358		241,118	
Depreciation	<u>1,214,152</u>		<u>1,200,139</u>		<u>1,186,758</u>	
Total Administrative and General	<u>10,379,391</u>	13.4	<u>10,079,596</u>	14.4	<u>9,502,206</u>	12.1
Total Operating Expense	<u>\$80,027,727</u>		<u>\$71,513,420</u>		<u>\$75,721,389</u>	
Percent to Operating Revenue		103.0		102.2		96.5

Muscatine Power and Water - Electric Utility
Statistical Data
September 2015

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

	<u>Current Month</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.877	\$1.921
Per Net MW Generated	\$21.86	\$24.33
Net Peak Monthly Demand-KW	137,500	133,330
Date of Peak	9/3	9/4
Hour of Peak	1700	1600

	<u>Calendar Year-To-Date</u>	
	<u>2015</u>	<u>2014</u>
Per Million Btu.	\$1.889	\$1.873
Per Net MW Generated	\$21.08	\$22.24
Net Peak Monthly Demand-KW	137,500	133,330
Date of Peak	9/3	9/4
Hour of Peak	1700	1600

Average Temperature	69.5°	62.4°
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<u>Services</u>	<u>2015</u>	<u>2014</u>
Residential	9,797	9,755
Commercial I	1,364	1,368
Commercial II	119	117
Industrial I	9	10
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	35	35
Total	<u>11,348</u>	<u>11,309</u>

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - September 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	61,086,528		52,781,020		57,581,171	
Wholesale Sales	\$2,059,004	\$0.03371	\$1,389,629	\$0.02633	\$2,195,907	\$0.03814
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	1,333,391	0.02183	1,048,562	0.01987	1,328,628	0.02307
Emissions:						
SO ² Allowances-ARP ^{fn1}	151	0.00000	20	0.00000	---	---
SO ² Allowances-CASPR ^{fn2}	---	---	62	0.00000	---	---
SO ² Allowances-CAIR ^{fn3}	106	0.00000	---	---	54	0.00000
NO _x Allowances ^{fn4}	7,427	0.00012	25,260	0.00048	11,606	0.00020
Other ^{fn5}	193,507	0.00317	185,110	0.00351	184,962	0.00321
Total Variable Costs	1,534,582	0.02512	1,259,014	0.02385	1,525,250	0.02649
Gross Margin	\$524,422	\$0.00858	\$130,615	\$0.00247	\$670,657	\$0.01165
Percent Gross Margin	25.5%		9.4%		30.5%	

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	794,328,799		718,508,478		745,317,891	
Wholesale Sales	\$28,663,642	\$0.03609	\$20,676,079	\$0.02878	\$32,337,152	\$0.04339
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	17,365,894	0.02186	14,430,520	0.02008	15,789,176	0.02118
Emissions:						
SO ² Allowances-ARP ^{fn1}	1,601	0.00000	260	0.00000	---	---
SO ² Allowances-CASPR ^{fn2}	---	---	15,005	0.00002	---	---
SO ² Allowances-CAIR ^{fn3}	1,122	0.00000	---	---	527	0.00000
NO _x Allowances ^{fn4}	63,810	0.00008	249,254	0.00035	153,353	0.00021
Other ^{fn5}	1,741,563	0.00219	1,707,975	0.00238	1,673,213	0.00224
Total Variable Costs	19,173,990	0.02414	16,403,014	0.02283	17,616,269	0.02364
Gross Margin	\$9,489,652	\$0.01195	\$4,273,065	\$0.00595	\$14,720,883	\$0.01975
Percent Gross Margin	33.1%		20.7%		45.5%	

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

	<u>Budget</u>	<u>2015</u>	<u>2014</u>
fn1 SO² ARP	\$2.00	\$0.80	\$0.00
YTD SO ² ARP	2.00	0.79	0.00
fn2 SO² CASPR	0.00	2.50	0.00
YTD SO ² CASPR	0.00	45.50	0.00
fn3 SO² CAIR	0.70	0.00	0.90
YTD SO ² CAIR	0.70	0.00	0.83
fn4 NO_x annual	49.00	150.00	59.50
NO _x seasonal	10.00	270.00	31.50
YTD NO _x annual	49.00	156.00	57.71
YTD NO _x seasonal	10.00	243.06	26.99

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