

**Muscatine Power and Water**

**Electric Utility**

**Statement of Revenues, Expenses and Changes in Net Position**

**May 2016**

**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 - May 2016**

	<u>Budget</u> <u>Estimate</u>	<u>% Increase</u> <u>(Decrease)</u> <u>From Budget</u>	<u>This</u> <u>Year</u>	<u>% Increase</u> <u>(Decrease)</u> <u>Fr. Last Yr.</u>	<u>Last</u> <u>Year</u>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	87,482,868	(34.5)	57,298,858	(25.0)	76,363,326
Less: Plant Use	<u>7,633,663</u>	(8.5)	<u>6,984,323</u>	(13.9)	<u>8,115,489</u>
Net Generation/Wholesale Sales	<u><u>79,849,205</u></u>	(37.0)	<u><u>50,314,535</u></u>	(26.3)	<u><u>68,247,837</u></u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	63.00	(41.7)	36.70	(34.6)	56.15
Unit 8/8A	---	---	21.03	261.9X	0.08
Unit 7	20.00	---	---	---	---
Total Plant	46.54	(35.2)	30.18	(24.1)	39.77
<b><u>KWH Distribution</u></b>					
Residential	6,790,312	(8.4)	6,220,964	(0.7)	6,262,930
Commercial I	2,795,325	(8.3)	2,562,181	(1.6)	2,602,540
Commercial II	9,411,365	(14.5)	8,045,920	(15.1)	9,475,200
Industrial I	9,407,373	5.5	9,922,400	4.7	9,481,500
Industrial II	39,154,127	(3.0)	37,971,156	(2.4)	38,917,572
City Enterprise Funds	388,090	4.9	407,125	(11.5)	460,261
Water & Communications Utilities	<u>1,508,631</u>	(3.0)	<u>1,463,776</u>	(2.8)	<u>1,506,090</u>
Native System Sales	69,455,223	(4.1)	66,593,522	(3.1)	68,706,093
City Lighting	149,044	(71.3)	42,758	(73.6)	162,259
City Buildings	497,438	(5.2)	471,607	2.7	459,192
Offline Power Plant Usage	390,000	57.5	614,362	67.9	366,004
Losses & Cycle Billing	<u>3,126,744</u>	(7.9)	<u>2,881,286</u>	44.2	<u>1,998,351</u>
Total Native System KWH Distributed/Purchased Power	<u><u>73,618,449</u></u>	(4.1)	<u><u>70,603,535</u></u>	(1.5)	<u><u>71,691,899</u></u>
<b><u>STEAM SALES - 1000 lbs</u></b>	<u><u>---</u></u>	---	<u><u>113,747</u></u>	15.0X	<u><u>7,124</u></u>

**Muscatine Power and Water - Electric Utility  
Classification of Electric Energy/Steam Sales  
Calendar Year-to-Date - May 2016**

	<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>
<b><u>KWH Generated and Sold</u></b>					
Gross Generation	453,577,308	(25.8)	336,609,658	(25.7)	453,075,189
Less: Plant Use	<u>45,785,433</u>	(7.6)	<u>42,288,321</u>	(15.6)	<u>50,112,758</u>
Net Generation/Wholesale Sales	<u><u>407,791,875</u></u>	(27.8)	<u><u>294,321,337</u></u>	(27.0)	<u><u>402,962,431</u></u>
<b><u>Net Capacity Factors</u></b>					
Unit 9	57.53	(26.0)	42.57	(29.4)	60.32
Unit 8/8A	30.96	(8.4)	28.35	5.6	26.85
Unit 7	19.08	(88.2)	2.25	(57.7)	5.32
Total Plant	48.47	(25.7)	35.99	(25.4)	48.23
<b><u>KWH Distribution</u></b>					
Residential	40,630,332	(6.9)	37,838,213	(3.8)	39,347,421
Commercial I	15,448,831	(8.9)	14,068,059	(3.3)	14,547,140
Commercial II	45,239,876	(13.7)	39,048,780	(12.8)	44,774,700
Industrial I	43,624,594	4.1	45,422,900	(1.2)	45,967,500
Industrial II	197,701,113	(4.3)	189,234,662	(1.1)	191,313,365
City Enterprise Funds	2,189,053	(1.1)	2,164,094	(6.3)	2,310,108
Water & Communications Utilities	<u>7,497,204</u>	(6.2)	<u>7,035,942</u>	(1.2)	<u>7,123,604</u>
Native System Sales	352,331,003	(5.0)	334,812,650	(3.1)	345,383,838
City Lighting	706,092	(59.4)	286,901	(62.8)	770,522
City Buildings	3,010,238	(10.2)	2,704,062	(3.2)	2,792,734
Offline Power Plant Usage	550,000	2.3X	1,820,100	1.0X	904,979
Losses & Cycle Billing	<u>9,435,793</u>	3.0	<u>9,716,878</u>	23.9	<u>7,843,688</u>
Total Native System KWH Distributed/Purchased Power	<u><u>366,033,126</u></u>	(4.6)	<u><u>349,340,591</u></u>	(2.3)	<u><u>357,695,761</u></u>
<b><u>STEAM SALES - 1000 lbs</u></b>	<u><u>1,022,629</u></u>	7.7	<u><u>1,101,746</u></u>	10.6	<u><u>995,722</u></u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Current Month - May 2016**

	Budget		% Increase (Decrease) from Budget	This Year		% Increase (Decrease) from Last Year	Last Year	
	Estimate	Avg. Price		Avg. Price	Year		Avg. Price	
<b><u>Sales of Electricity</u></b>								
Residential	\$771,185	\$ 0.11357	(8.6)	\$704,634	\$ 0.11327	2.4	\$688,249	\$ 0.10989
Commercial I	283,626	0.10146	(9.6)	256,348	0.10005	1.6	252,287	0.09694
Commercial II	706,514	0.07507	(12.9)	615,530	0.07650	(9.5)	680,218	0.07179
Industrial I	578,768	0.06152	6.9	618,976	0.06238	6.1	583,371	0.06153
Industrial II	1,916,131	0.04894	(0.5)	1,905,802	0.05019	0.7	1,892,128	0.04862
City Enterprise Funds	27,559	0.07101	7.8	29,701	0.07295	(7.1)	31,965	0.06945
Water & Communication Utilities	97,192	0.06442	(6.4)	90,996	0.06217	(1.6)	92,452	0.06139
Native System Sales	4,380,975	0.06308	(3.6)	4,221,987	0.06340	---	4,220,670	0.06143
Wholesale Sales	2,709,081	0.03393	(53.8)	1,251,061	0.02486	(33.4)	1,878,628	0.02753
Energy Sales	7,090,056		(22.8)	5,473,048		(10.3)	6,099,298	
<b><u>Steam Sales</u></b>	---	---	---	557,698	4.90	18.8X	28,137	3.95
<b><u>Other Revenue</u></b>								
Rail Car Lease	---			---			---	
By-Product Revenue	27,677		13.4	31,385		0.7	31,157	
Miscellaneous Revenue	52,190		7.4	56,063		5.1	53,335	
Total Other Revenue	79,867		9.5	87,448		3.5	84,492	
Operating Revenue	7,169,923		(14.7)	6,118,194		(1.5)	6,211,927	
<b><u>Operating Expense</u></b>								
Purchased Power	2,147,822	0.02918	(24.5)	1,622,590	0.02298	2.8	1,577,867	0.02201
Production Fuel	1,713,725		(23.2)	1,316,473		(14.0)	1,530,620	
Emissions Allowance	0		---	21,384		23.4X	877	
Operation	2,389,308		(8.6)	2,182,833		10.4	1,977,736	
Maintenance	2,424,285		(70.9)	705,532		(47.9)	1,353,520	
Depreciation	884,956		(5.4)	837,341		(13.1)	963,852	
Total Operating Expense	9,560,096		(30.1)	6,686,153		(9.7)	7,404,472	
Operating Loss	(2,390,173)		(76.2)	(567,959)		(52.4)	(1,192,545)	
<b><u>Nonoperating Revenue (Expense)</u></b>								
Interest Income	8,497		58.3	13,450		92.9	6,973	
Interest Expense	(167)		59.9	(267)		1.4X	(109)	
Total Nonoperating Revenue (Expense)	8,330		58.3	13,183		92.1	6,864	
<b>Net Loss Before Revenue Adjustment</b>	<b>(2,381,843)</b>		<b>(76.7)</b>	<b>(554,776)</b>		<b>(53.2)</b>	<b>(1,185,681)</b>	
Capital Contributions	---		---	---		---	---	
Write Off - Loan to Communications	---		---	---		---	---	
<b>Change in Net Position</b>	<b>(2,381,843)</b>		<b>(76.7)</b>	<b>(554,776)</b>		<b>(53.2)</b>	<b>(1,185,681)</b>	
<b>Beginning Net Position</b>	<b>122,903,587</b>			<b>122,573,205</b>			<b>131,076,003</b>	
<b>Ending Net Position</b>	<b>\$120,521,744</b>			<b>\$122,018,429</b>			<b>\$129,890,322</b>	
Net Loss Before Rev Adj to Op Revenue	(33.2)			(9.1)			(19.1)	
Change in Net Position to Operating Revenue	(33.2)			(9.1)			(19.1)	

**Muscatine Power and Water - Electric Utility**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**Calendar Year-to-Date - May 2016**

	Budget		% Increase (Decrease) from Budget	This Year		% Increase (Decrease) from Last Year	Last Year	
	Estimate	Avg. Price		Avg. Price	Year		Avg. Price	Year
<b><u>Sales of Electricity</u></b>								
Residential	\$4,457,564	\$ 0.10971	(8.4)	\$4,083,696	\$ 0.10793	(2.2)	\$4,173,864	\$ 0.10608
Commercial I	1,553,009	0.10053	(10.8)	1,385,386	0.09848	(1.8)	1,410,520	0.09696
Commercial II	3,438,267	0.07600	(12.5)	3,009,155	0.07706	(9.3)	3,316,431	0.07407
Industrial I	2,699,128	0.06187	4.6	2,822,843	0.06215	(1.0)	2,851,818	0.06204
Industrial II	9,511,520	0.04811	(1.0)	9,415,671	0.04976	(1.9)	9,600,482	0.05018
City Enterprise Funds	153,280	0.07002	1.8	156,026	0.07210	(5.2)	164,646	0.07127
Water & Communications Utilities	477,844	0.06374	(9.2)	433,823	0.06166	(3.4)	449,195	0.06306
Native System Sales	22,290,612	0.06327	(4.4)	21,306,600	0.06364	(3.0)	21,966,956	0.06360
Wholesale Sales	13,296,018	0.03260	(47.4)	6,995,031	0.02377	(39.5)	11,567,290	0.02871
Energy Sales	35,586,630		(20.5)	28,301,631		(15.6)	33,534,246	
<b><u>Steam Sales</u></b>	4,242,377	4.15	5.7	4,484,695	4.07	9.6	4,093,106	4.11
<b><u>Other Revenue</u></b>								
Rail Car Lease	117,000		---	---		---	---	
By-Product Revenue	135,048		(40.3)	80,652		8.5	74,301	
Miscellaneous Revenue	261,870		(6.9)	243,901		3.7	235,186	
Total Other Revenue	513,918		(36.8)	324,553		4.9	309,487	
Operating Revenue	40,342,925		(17.9)	33,110,879		(12.7)	37,936,839	
<b><u>Operating Expense</u></b>								
Purchased Power	9,933,234	0.02714	(26.2)	7,329,703	0.02098	(16.5)	8,782,107	0.02455
Production Fuel	10,712,484		(21.2)	8,445,396		(22.6)	10,915,107	
Emissions Allowance	100,596		(41.2)	59,158		(55.5)	132,865	
Operation	11,483,957		(8.2)	10,544,766		6.3	9,920,764	
Maintenance	6,307,311		(39.4)	3,821,113		(14.3)	4,459,642	
Depreciation	4,424,782		(5.4)	4,186,706		(13.1)	4,819,256	
Total Operating Expense	42,962,364		(20.0)	34,386,842		(11.9)	39,029,741	
Operating Loss	(2,619,439)		(51.3)	(1,275,963)		16.7	(1,092,902)	
<b><u>Nonoperating Revenue (Expense)</u></b>								
Interest Income	42,608		47.3	62,773		60.9	39,015	
Interest Expense	(833)		64.0	(1,366)		1.2X	(629)	
Total Nonoperating Revenue (Expense)	41,775		47.0	61,407		60.0	38,386	
Net Loss Before Revenue Adjustment and Capital Contributions	(2,577,664)		(52.9)	(1,214,556)		15.2	(1,054,516)	
Capital Contributions	---		---	133,577		---	---	
Write Off - Loan to Communications	---		---	---		---	(25,327,000)	
Change in Net Position	(2,577,664)		(58.1)	(1,080,979)		(95.9)	(26,381,516)	
Beginning Net Position	123,099,408			123,099,408			156,271,838	
Ending Net Position	\$120,521,744			\$122,018,429			\$129,890,322	
Net Income (Loss) Before Rev Adj to Op Revenue	(6.4)			(3.7)			(2.8)	
Change in Net Position to Operating Revenue	(6.4)			(3.3)			(69.5)	

**Muscatine Power and Water - Electric Utility**  
**Statements of Net Position**  
**May 2016**

**ASSETS**

	<u>2016</u>	<u>2015</u>
<b>Current Assets:</b>		
<u>Unrestricted Assets</u>		
Cash - interest bearing	\$10,544,242	\$13,922,345
Investments	6,001,140	9,000,000
Receivables:		
Consumer Accounts	6,286,004	5,277,960
Refined Coal	2,232,033	2,441,210
Wholesale	4,906	189,824
Steam Sales	557,886	28,146
Interest	52,539	27,260
Inventories	5,638,480	6,080,348
Fuel	15,268,522	9,916,664
Prepaid Expenses	1,158,633	1,185,721
	<hr/>	<hr/>
Total Unrestricted Current Assets	47,744,385	48,069,478
	<hr/>	<hr/>
<u>Restricted Assets</u>		
Cash - interest bearing	2,832,587	13,066,139
Investments	10,250,000	---
	<hr/>	<hr/>
Total Restricted Current Assets	13,082,587	13,066,139
	<hr/>	<hr/>
Total Current Assets	60,826,972	61,135,617
	<hr/>	<hr/>
<b>Property and Equipment:</b>		
At Cost	422,178,772	416,441,509
Less Accumulated Depreciation	345,023,625	335,653,745
	<hr/>	<hr/>
Net Property and Equipment	77,155,147	80,787,764
	<hr/>	<hr/>
<b>Other Assets:</b>		
Note Receivable - Communications Utility	9,523,335	10,000,000
Note Receivable - Water Utility	2,900,000	2,650,000
Joint Venture Rights	109,999	103,266
	<hr/>	<hr/>
Total Other Assets	12,533,334	12,753,266
	<hr/>	<hr/>
<b>Deferred Outflows of Resources - Pension</b>		
Changes of Assumptions	2,764,049	---
Difference between projected and actual earnings on pension plan	575,136	---
Contributions subsequent to measurement date	2,462,042	---
	<hr/>	<hr/>
Total Deferred Outflows of Resources - Pension	5,801,227	---
	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<u>\$156,316,680</u>	<u>\$154,676,647</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Net Position**  
**May 2016**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

	<u>2016</u>	<u>2015</u>
<b>Current Liabilities:</b>		
<u>Unrestricted</u>		
Accounts Payable	\$4,681,251	\$5,655,589
Pension Provision	---	880,967
Health & Dental Insurance Provision	295,620	289,930
Accrued Payroll	446,690	332,362
Accrued Vacation	1,284,710	1,258,966
Accrued Emission Allowance Expense	59,158	132,074
Consumers' Deposits	753,127	710,726
Retained Percentage on Contracts	2,030	---
Accrued Property Taxes	95,124	93,589
Miscellaneous Accrued Expenses	891,261	683,939
Unearned Revenue	277,557	30,047
	<hr/>	<hr/>
Total Unrestricted Current Liabilities	8,786,528	10,068,189
	<hr/>	<hr/>
<b>Non-Current Liabilities:</b>		
Health & Dental Insurance Provision	944,132	1,039,903
Post-Employment Health Benefit Provision	393,506	461,628
Net Pension Liability	10,482,299	---
Consumer Advances for Construction	---	183,739
	<hr/>	<hr/>
Total Non-Current Liabilities	11,819,937	1,685,270
	<hr/>	<hr/>
<b>Deferred Inflows of Resources</b>		
Extraordinary O&M	13,032,866	13,032,866
Pension		
Differences between expected and actual experience	658,920	---
	<hr/>	<hr/>
Total Deferred Inflows of Resources	13,691,786	13,032,866
	<hr/>	<hr/>
<b>Net Position:</b>		
Net Investment in Capital Assets	77,155,147	80,787,764
Restricted	18,883,814	13,066,139
Unrestricted	25,979,468	36,036,419
	<hr/>	<hr/>
Total Net Position	122,018,429	129,890,322
	<hr/>	<hr/>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$156,316,680</u>	<u>\$154,676,647</u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**May 2016**

	<u>Current Month</u>	<u>Year- To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$4,262,800	\$21,394,084
MISO sales	1,704,505	7,346,736
Steam sales	---	3,910,523
Coal sales	2,900,965	14,848,575
Railcar/facilities leasing	5,408	27,040
By-product sales	290	88,894
Miscellaneous sources	14,959	601,063
Cash paid to/for:		
Suppliers	(1,106,648)	(4,772,435)
MISO purchases/administration fees	(1,532,625)	(7,339,212)
Coal purchases	(5,367,610)	(20,417,278)
Employees payroll, taxes and benefits	(1,975,865)	(9,469,300)
Net cash flows from operating activities	<u>(1,093,821)</u>	<u>6,218,690</u>
Cash flows from noncapital financing activities:		
Interest received on notes receivable from water & communications utilities	---	---
Principal received on note receivable from communications utility	---	---
Loan to Water Utility	---	---
Net cash flows from noncapital financing activities	<u>---</u>	<u>---</u>
Cash flows from capital financing activities:		
Capital expenditures, net	<u>(1,259,470)</u>	<u>(2,649,224)</u>
Net cash flows from capital and related financing activities	<u>(1,259,470)</u>	<u>(2,649,224)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(22,915)	(45,830)
Interest received on investments	2,710	25,343
Accrued interest purchased	---	(5,250)
Amortization/accretion of investments	(227)	134
Mark to Market	(179)	2,549
Net cash flows from investing activities	<u>(20,611)</u>	<u>(23,054)</u>
Net increase (decrease) in cash and investments	<u>(2,373,902)</u>	<u>3,546,412</u>
Cash and investments at beginning of period	<u>32,001,871</u>	<u>26,081,557</u>
Cash and investments at end of period	<u><u>\$29,627,969</u></u>	<u><u>\$29,627,969</u></u>

**Muscatine Power and Water - Electric Utility**  
**Statements of Cash Flows**  
**May 2016**

	<u>Current Month</u>	<u>Year- To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$567,959)	(\$1,275,963)
Noncash items in operating income:		
Depreciation of electric utility plant	837,341	4,186,706
Amortization of joint venture rights	6,367	40,221
Change in deferred inflows of resources - pension	---	---
Change in deferred outflows of resources - pension	(280,227)	(280,227)
Changes in assets and liabilities:		
Consumer accounts receivable	(890,756)	(723,700)
Refined coal	674,340	782,025
Wholesale receivable	103,186	7,495
Steam sales receivable	350,740	442,637
Inventories	40,212	248,422
Fuel	(357,393)	2,150,036
Prepaid expenses	96,608	(288,502)
Accounts payable	(1,424,785)	323,253
Net pension liability	179,935	899,673
Health & dental insurance provision	(20,813)	(130,272)
Other post-employment benefit provision	2,316	11,580
Accrued payroll	140,181	(158,445)
Accrued vacation	(14,562)	88,422
Accrued emission allowance expense	21,384	(335,555)
Consumers' deposits	4,473	19,810
Retained Percentage	(58,394)	(46,580)
Accrued property taxes	8,281	(6,995)
Unearned revenue	38,502	41,262
Miscellaneous accrued expenses	17,202	223,387
	<u>(\$1,093,821)</u>	<u>\$6,218,690</u>
Net cash flows from operating activities	<u>(\$1,093,821)</u>	<u>\$6,218,690</u>

**Muscatine Power and Water - Electric Utility  
Funds Appropriated for Specific Purposes  
May 2016**

	<u>This Year</u>	<u>Last Year</u>
Extraordinary Operation & Maintenance Account	<u>\$13,082,587</u>	<u>\$13,066,139</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$13,082,587</u>	<u>\$13,066,139</u>

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - May 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Purchased Power</u></b>	<u>\$2,147,822</u>	30.0	<u>\$1,622,590</u>	26.5	<u>\$1,577,867</u>	25.4
Average price per kWh	\$0.0292		\$0.0230		\$0.0220	
<b><u>Generation</u></b>						
Operation Supervision (500)	109,143		81,150		83,948	
Fuel: (501)						
Coal	1,619,939		1,255,064		1,459,952	
Fuel Oil	9,000		3,895		119	
Gas	10,500		8,254		18,776	
Coal Handling Expense (501-003)	59,958		32,795		45,539	
Landfill Operation Expense (501-925)	14,328		16,465		6,234	
Emissions Allowance Expense (509)	---		21,384		877	
Steam Expense:						
Boiler (502-004)	129,628		92,186		87,925	
Pollution Control (502-005)	137,013		106,991		31,768	
Electric Expense (505)	93,699		96,626		80,270	
Miscellaneous Steam Power Expense (506)	387,078		232,887		223,122	
Maintenance:						
Supervision (510)	96,066		70,326		94,154	
Structures (511)	60,634		30,738		103,444	
Boiler Plant:						
Boiler (512-006)	1,137,339		171,532		580,585	
Pollution Control (512-007)	92,493		32,804		102,583	
Electric Plant (513-008)	379,090		27,132		132,316	
System Control (513-009)	21,169		24,624		18,848	
Miscellaneous Steam Plant (514)	84,109		49,812		61,504	
Coal Handling Equipment (516)	264,974		125,197		105,781	
System Control and Load Dispatch (556)	32,000		21,702		25,513	
Vacation, Holiday, Sick Leave (557)	114,924		96,255		107,693	
Depreciation (558)	<u>645,074</u>		<u>637,587</u>		<u>636,060</u>	
<b>Total Generation Expense</b>	<u>\$5,498,158</u>	76.7	<u>\$3,235,406</u>	52.9	<u>\$4,007,011</u>	64.5

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - May 2016**

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>	
<u>Purchased Power</u>	<u>\$9,933,234</u>	24.6	<u>\$7,329,703</u>	22.1	<u>\$8,782,107</u>	23.1
Average price per kWh	\$0.0271		\$0.0210		\$0.0246	
 <b><u>Generation</u></b>						
Operation Supervision (500)	457,169		415,427		406,463	
Fuel: (501)						
Coal	10,186,347		8,079,091		10,514,005	
Fuel Oil	52,131		34,312		27,874	
Gas	99,000		58,411		95,103	
Coal Handling Expense (501-003)	327,092		232,840		263,969	
Landfill Operation Expense (501-925)	47,914		40,742		14,156	
Emissions Allowance Expense (509)	100,596		59,158		132,865	
Steam Expense:						
Boiler (502-004)	550,014		531,558		532,522	
Pollution Control (502-005)	726,666		331,568		146,410	
Electric Expense (505)	510,093		506,647		464,237	
Miscellaneous Steam Power Expense (506)	1,575,056		1,109,613		1,111,839	
Maintenance:						
Supervision (510)	453,267		356,559		447,451	
Structures (511)	301,977		201,365		294,127	
Boiler Plant:						
Boiler (512-006)	2,349,402		879,141		1,126,663	
Pollution Control (512-007)	334,875		322,274		287,051	
Electric Plant (513-008)	577,115		214,169		277,069	
System Control (513-009)	108,126		118,188		89,926	
Miscellaneous Steam Plant (514)	398,909		285,966		327,372	
Coal Handling Equipment (516)	551,681		400,188		597,702	
System Control and Load Dispatch (556)	164,658		119,472		145,574	
Vacation, Holiday, Sick Leave (557)	503,461		486,907		507,888	
Depreciation (558)	3,225,372		3,187,937		3,180,300	
 Total Generation Expense	 <u>\$23,600,921</u>	 58.5	 <u>\$17,971,533</u>	 54.3	 <u>\$20,990,566</u>	 55.3

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - May 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision (560)	\$5,462		\$5,889		\$4,606	
Load Dispatching (561)	58,484		59,002		60,424	
Station Expense (562)	12,907		11,446		8,533	
Overhead Line Expense (563)	---		---		117	
Transmission of Electricity by Others (565)	71,150		77,235		50,048	
Miscellaneous Transmission Expense (566)	7,121		21,111		4,299	
Maintenance:						
Supervision (568)	3,416		3,338		2,393	
Structures (569)	179		---		---	
Station Equipment (570)	42,463		6,954		4,503	
Overhead Lines (571)	33,615		10,493		20,125	
Vacation, Holiday, Sick Leave (575)	9,694		7,927		8,489	
Depreciation (576)	31,050		31,072		30,688	
Tax on Rural Property (577)	5,673		5,686		5,642	
<b>Total Transmission Expense</b>	<u>281,214</u>	3.9	<u>240,153</u>	3.9	<u>199,867</u>	3.2
<b><u>Distribution</u></b>						
Operation Supervision (580)	16,256		16,682		11,426	
Load Dispatching (581)	27,339		34,200		28,064	
Station Expense (582)	8,713		7,755		6,772	
Overhead Line Expense (583)	4,312		1,321		1,462	
Vehicle Expense (589)	18,471		9,542		11,142	
Underground Line Expense (584)	4,351		6,933		3,908	
Street Lighting (585-418)	4,391		580		3,665	
Signal Expense (585-419)	711		130		249	
Meter Expense (586)	9,828		10,231		6,707	
Consumer Installation Expense (587)	509		407		251	
Miscellaneous Distribution Expense (588)	54,632		53,435		58,969	
Maintenance:						
Supervision (590)	14,618		14,496		9,778	
Structures (591)	934		---		---	
Station Equipment (592)	9,875		10,757		7,786	
Overhead Lines (593)	57,962		29,380		38,807	
Underground Lines (594)	16,865		21,553		7,076	
Line Transformers (595)	17,750		2,007		354	
Street Lighting (596-418)	7,594		5,107		8,247	
Signal System (596-419)	2,159		3,337		2,116	
Meters (597)	2,006		1,847		1,861	
Miscellaneous Distribution Plant (598)	2,542		2,561		4,344	
Vacation, Holiday, Sick Leave (599)	36,754		32,583		33,262	
Depreciation (578)	168,629		168,481		163,755	
Tax on Rural Property (579)	1,695		1,698		1,685	
<b>Total Distribution Expense</b>	<u>\$488,896</u>	6.8	<u>\$435,023</u>	7.1	<u>\$411,686</u>	6.6

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - May 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Transmission</u></b>						
Operation Supervision (560)	\$27,312		\$29,164		\$23,347	
Load Dispatching (561)	297,192		295,469		297,650	
Station Expense (562)	46,226		53,664		51,008	
Overhead Line Expense (563)	346		4,766		2,989	
Transmission of Electricity by Others (565)	355,752		383,990		251,118	
Miscellaneous Transmission Expense (566)	100,633		85,771		35,189	
Maintenance:						
Supervision (568)	17,081		16,949		12,013	
Structures (569)	597		---		---	
Station Equipment (570)	69,368		57,243		18,638	
Overhead Lines (571)	168,168		125,512		166,975	
Vacation, Holiday, Sick Leave (575)	42,523		40,528		37,338	
Depreciation (576)	155,250		155,360		153,439	
Tax on Rural Property (577)	28,364		28,513		28,304	
<b>Total Transmission Expense</b>	<b>1,308,812</b>	<b>3.2</b>	<b>1,276,929</b>	<b>3.9</b>	<b>1,078,008</b>	<b>2.8</b>
<b><u>Distribution</u></b>						
Operation Supervision (580)	80,519		83,426		58,311	
Load Dispatching (581)	137,084		165,855		151,801	
Station Expense (582)	36,491		32,683		31,888	
Overhead Line Expense (583)	28,133		11,911		10,916	
Vehicle Expense (589)	92,231		59,533		71,118	
Underground Line Expense (584)	20,105		15,704		20,517	
Street Lighting (585-418)	21,121		6,004		17,544	
Signal Expense (585-419)	3,164		742		400	
Meter Expense (586)	52,126		51,189		42,304	
Consumer Installation Expense (587)	2,646		3,666		1,242	
Miscellaneous Distribution Expense (588)	290,031		268,376		276,806	
Maintenance:						
Supervision (590)	72,622		72,703		50,139	
Structures (591)	3,168		17		---	
Station Equipment (592)	49,152		49,290		63,883	
Overhead Lines (593)	271,512		245,418		275,648	
Underground Lines (594)	79,758		64,874		31,844	
Line Transformers (595)	35,625		11,856		29,426	
Street Lighting (596-418)	39,126		50,918		30,674	
Signal System (596-419)	15,863		16,770		15,121	
Meters (597)	13,003		12,062		10,612	
Miscellaneous Distribution Plant (598)	12,708		11,887		12,942	
Vacation, Holiday, Sick Leave (599)	160,738		168,796		160,260	
Depreciation (578)	843,143		842,405		818,773	
Tax on Rural Property (579)	8,473		8,517		8,454	
<b>Total Distribution Expense</b>	<b>\$2,368,542</b>	<b>5.9</b>	<b>\$2,254,602</b>	<b>6.8</b>	<b>\$2,190,623</b>	<b>5.8</b>

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Current Month - May 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense (909)	\$9,538		\$9,569		\$13,733	
Energy Efficiency Rebates (910)	18,340		8,249		2,377	
Electric Ranges/Dryers Maintenance (911)	435		219		196	
Electric Water Heaters Maintenance (912)	155		63		105	
	<hr/>		<hr/>		<hr/>	
Total Customer Service Expense	28,468	0.4	18,100	0.3	16,411	0.3
	<hr/>		<hr/>		<hr/>	
<b><u>Consumer Accounts</u></b>						
Supervision (901)	3,144		2,519		2,430	
Meter Reading Expense (902)	9,443		8,578		7,897	
Consumer Records and Collection (903)	41,069		36,610		34,327	
Uncollectible Accounts Expense (904)	4,769		4,769		4,565	
Vacation, Holiday, Sick Leave (906)	5,950		5,484		4,445	
	<hr/>		<hr/>		<hr/>	
Total Consumer Accounts Expense	64,375	0.9	57,960	0.9	53,664	0.9
	<hr/>		<hr/>		<hr/>	
<b><u>Administrative and General</u></b>						
Administrative and General Salaries (920)	180,602		175,985		149,870	
Office Supplies and Expenses (921)	16,130		14,771		22,397	
Outside Services Employed (923)	26,712		38,464		32,522	
Property Insurance (924)	61,821		53,778		58,782	
Casualty Ins, Injuries & Damages (925)	40,521		156,203		114,683	
Employee Pensions and Benefits (926)	548,760		529,975		513,451	
Fringe Benefits Charged to Constr. (927)	(28,741)		(30,913)		(28,220)	
Regulatory Commission (928)	6,408		7,310		7,322	
Miscellaneous General Expense (930)	48,572		40,268		48,917	
Maintenance of General Plant (932)	38,482		26,507		20,414	
Maintenance of A/O Center (934)	37,951		35,030		26,501	
Vacation, Holiday, Sick Leave (936)	33,742		29,342		37,978	
Depreciation (933)	40,203		201		133,349	
	<hr/>		<hr/>		<hr/>	
Total Administrative and General	1,051,163	14.7	1,076,921	17.6	1,137,966	18.3
	<hr/>		<hr/>		<hr/>	
Total Operating Expense	<u>\$9,560,096</u>		<u>\$6,686,153</u>		<u>\$7,404,472</u>	
	<hr/>		<hr/>		<hr/>	
Percent to Operating Revenue		133.3		109.3		119.2

**Muscatine Power and Water - Electric Utility**  
**Summary of Expenses**  
**Calendar Year-to-Date - May 2016**

	<u>Budget</u> <u>Estimate</u>		<u>This Year</u>		<u>Last Year</u>	
<b><u>Customer Service Expense</u></b>						
Customer Information Expense (909)	\$40,827		\$31,249		\$42,318	
Energy Efficiency Rebates (910)	91,706		25,864		77,749	
Electric Ranges/Dryers Maintenance (911)	2,273		963		1,233	
Electric Water Heaters Maintenance (912)	876		298		539	
	<u>          </u>		<u>          </u>		<u>          </u>	
Total Customer Service Expense	<u>\$135,682</u>	0.3	<u>\$58,374</u>	0.2	<u>\$121,839</u>	0.3
 <b><u>Consumer Accounts</u></b>						
Supervision (901)	15,718		15,464		15,633	
Meter Reading Expense (902)	45,427		45,298		47,391	
Consumer Records and Collection (903)	196,604		183,423		169,234	
Uncollectible Accounts Expense (904)	23,843		23,845		22,824	
Vacation, Holiday, Sick Leave (906)	25,871		27,321		22,945	
	<u>          </u>		<u>          </u>		<u>          </u>	
Total Consumer Accounts Expense	<u>307,463</u>	0.8	<u>295,351</u>	0.9	<u>278,027</u>	0.7
 <b><u>Administrative and General</u></b>						
Administrative and General Salaries (920)	902,932		884,308		808,809	
Office Supplies and Expenses (921)	87,051		63,793		92,585	
Outside Services Employed (923)	217,658		151,714		227,242	
Property Insurance (924)	299,433		283,902		295,974	
Casualty Ins, Injuries & Damages (925)	204,974		558,970		323,921	
Employee Pensions and Benefits (926)	2,678,676		2,679,982		2,587,343	
Fringe Benefits Charged to Constr. (927)	(118,227)		(122,383)		(102,104)	
Regulatory Commission (928)	32,042		35,558		35,534	
Miscellaneous General Expense (930)	270,371		195,415		204,949	
Maintenance of General Plant (932)	221,087		137,890		140,369	
Maintenance of A/O Center (934)	163,121		169,874		153,997	
Vacation, Holiday, Sick Leave (936)	147,575		160,323		153,208	
Depreciation (933)	201,017		1,004		666,744	
	<u>          </u>		<u>          </u>		<u>          </u>	
Total Administrative and General	<u>5,307,710</u>	13.2	<u>5,200,350</u>	15.7	<u>5,588,571</u>	14.7
	<u>          </u>		<u>          </u>		<u>          </u>	
Total Operating Expense	<u>\$42,962,364</u>		<u>\$34,386,842</u>		<u>\$39,029,741</u>	
Percent to Operating Revenue		106.5		103.9		102.9

**Muscatine Power and Water - Electric Utility  
Statistical Data  
May 2016**

**Total Fuel Cost**

(To & Including Ash Handling, Gas & Oil)

	<b><u>Current Month</u></b>	
	<b><u>2016</u></b>	<b><u>2015</u></b>
Per Million Btu.	\$1.827	\$1.925
Per Net MW Generated	\$20.88	\$22.46
Net Peak Monthly Demand-KW	117,730	119,170
Date of Peak	5/25	5/29
Hour of Peak	1600	1600

**Calendar Year-To-Date**

	<b><u>2016</u></b>	<b><u>2015</u></b>
Per Million Btu.	\$1.850	\$1.930
Per Net MW Generated	\$20.34	\$21.34
Net Peak Monthly Demand-KW	117,730	119,630
Date of Peak	5/25	2/12
Hour of Peak	1600	900

Average Temperature	61.5°	63.1°
---------------------	-------	-------

<b><u>Services</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Residential	9,835	9,787
Commercial I	1,377	1,366
Commercial II	118	119
Industrial I	10	9
Industrial II	2	2
City Enterprise Funds	22	22
Water & Communications Utility	34	35
	<hr/>	<hr/>
Total	<u>11,398</u>	<u>11,340</u>

**Muscatine Power and Water - Electric Utility**  
**Wholesale Sales Analysis**  
**Current Month - May 2016**

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
<b>Wholesale kWh Sales</b>	<u>79,849,205</u>		<u>50,314,535</u>		<u>68,247,837</u>	
<b>Wholesale Sales</b>	<u>\$2,709,081</u>	<u>\$0.03393</u>	<u>\$1,251,061</u>	<u>\$0.02486</u>	<u>\$1,878,628</u>	<u>\$0.02753</u>
<b>Variable Costs</b>						
Fuel (Coal, Gas & Fuel Oil)	1,637,335	0.02051	991,176	0.01970	1,466,283	0.02148
Emissions:						
SO <sup>2</sup> Allowances-ARP <sup>fn1</sup>	---	0.00000	15	0.00000	5	0.00000
SO <sup>2</sup> Allowances-CASPR <sup>fn2</sup>	---	---	37	0.00000	197	0.00000
SO <sup>2</sup> Allowances-CAIR <sup>fn3</sup>	---	0.00000	---	---	---	---
NO <sub>x</sub> Allowances <sup>fn4</sup>	---	0.00000	2,251	0.00004	15,261	0.00022
Other <sup>fn5</sup>	<u>206,112</u>	<u>0.00258</u>	<u>192,431</u>	<u>0.00382</u>	<u>193,507</u>	<u>0.00284</u>
Total Variable Costs	<u>1,843,447</u>	<u>0.02309</u>	<u>1,185,910</u>	<u>0.02357</u>	<u>1,675,253</u>	<u>0.02455</u>
<b>Gross Margin</b>	<u>\$865,634</u>	<u>\$0.01084</u>	<u>\$65,151</u>	<u>\$0.00129</u>	<u>\$203,375</u>	<u>\$0.00298</u>
Percent Gross Margin	32.0%		5.2%		10.8%	

**Calendar Year To Date**

	Modified Budget	\$/kWh	This Year	\$/kWh	Last Year	\$/kWh
<b>Wholesale kWh Sales</b>	<u>407,791,875</u>		<u>294,321,337</u>		<u>402,962,431</u>	
<b>Wholesale Sales</b>	<u>\$13,296,018</u>	<u>\$0.03260</u>	<u>\$6,995,031</u>	<u>\$0.02377</u>	<u>\$11,567,290</u>	<u>\$0.02871</u>
<b>Variable Costs</b>						
Fuel (Coal, Gas & Fuel Oil)	8,089,723	0.01984	5,640,836	0.01917	8,262,517	0.02050
Emissions:						
SO <sup>2</sup> Allowances-ARP <sup>fn1</sup>	904	0.00000	99	0.00000	114	---
SO <sup>2</sup> Allowances-CASPR <sup>fn2</sup>	---	---	246	0.00000	13,605	---
SO <sup>2</sup> Allowances-CAIR <sup>fn3</sup>	2,486	---	---	---	---	0.00000
NO <sub>x</sub> Allowances <sup>fn4</sup>	97,206	0.00024	23,615	0.00008	80,157	0.00020
Other <sup>fn3</sup>	<u>1,030,560</u>	<u>0.00253</u>	<u>962,155</u>	<u>0.00327</u>	<u>967,535</u>	<u>0.00240</u>
Total Variable Costs	<u>9,220,879</u>	<u>0.02261</u>	<u>6,626,951</u>	<u>0.02252</u>	<u>9,323,928</u>	<u>0.02314</u>
<b>Gross Margin</b>	<u>\$4,075,139</u>	<u>\$0.00999</u>	<u>\$368,080</u>	<u>\$0.00125</u>	<u>\$2,243,362</u>	<u>\$0.00557</u>
Percent Gross Margin	30.6%		5.3%		19.4%	

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

	Budget	2016	2015
<b>fn1</b> SO <sup>2</sup> ARP	\$2.00	\$0.80	\$0.80
YTD SO <sup>2</sup> ARP	2.00	0.80	0.80
<b>fn2</b> SO <sup>2</sup> CASPR	0.00	2.00	30.00
YTD SO <sup>2</sup> CASPR	0.00	2.00	95.73
<b>fn3</b> SO <sup>2</sup> CAIR	0.00	0.00	0.00
YTD SO <sup>2</sup> CAIR	0.00	0.00	0.00
<b>fn4</b> NO <sub>x</sub> annual	160.00	35.00	121.50
NO <sub>x</sub> seasonal	288.00	267.50	130.00
YTD NO <sub>x</sub> annual	160.00	64.37	155.57
YTD NO <sub>x</sub> seasonal	288.00	267.50	130.00

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