

**Muscatine Power and Water
Electric Utility
Operating Statements and Balance Sheets
April 2011**

**Muscatine Power and Water
Electric Utility**

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Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Current Month - April 2011

	<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	44,330,050	(50.7)	21,840,788	(73.0)	80,813,523
Less: Plant Use	4,253,650	(23.9)	3,239,017	(65.9)	9,485,985
Net Generation/Wholesale Sales	<u>40,076,400</u>	(53.6)	<u>18,601,771</u>	(73.9)	<u>71,327,538</u>
<u>Net Capacity Factors</u>					
Unit 9	13.88	(91.5)	1.18	(97.6)	48.70
Unit 8/8A	48.66	(9.1)	44.25	23.3	35.88
Unit 7	49.79	(61.5)	19.17	11.9	17.13
Total Plant	24.18	(53.6)	11.22	(73.9)	43.03
<u>KWH Distribution</u>					
Residential	6,818,471	4.7	7,141,615	4.8	6,815,428
Commercial I	2,868,094	2.5	2,939,752	4.5	2,812,610
Commercial II	7,728,627	(2.4)	7,545,267	(4.8)	7,927,872
Industrial I	8,813,385	(2.4)	8,598,980	(5.4)	9,092,762
Industrial II	36,306,407	(0.7)	36,063,748	(5.6)	38,223,314
City Enterprise Funds	469,626	0.8	473,388	0.6	470,381
Water & Communications Utilities	<u>1,343,950</u>	(15.3)	<u>1,138,986</u>	(20.2)	<u>1,427,113</u>
Native System Sales	64,348,560	(0.7)	63,901,736	(4.3)	66,769,480
City Lighting	173,191	(5.2)	164,126	(2.1)	167,581
City Buildings	456,464	9.1	497,860	11.3	447,431
Offline Power Plant Usage	--	--	102,426	(21.2)	130,019
Losses & Cycle Billing	<u>1,323,145</u>	--	<u>2,433,623</u>	--	<u>776,027</u>
Total Native System KWH Distributed/Purchased Power	<u>66,301,360</u>	1.2	<u>67,099,771</u>	(1.7)	<u>68,290,538</u>
<u>STEAM SALES - 1000 lbs</u>	<u>248,400</u>	7.2	<u>266,286</u>	7.0	<u>248,890</u>

Muscatine Power and Water - Electric Utility
Classification of Electric Energy/Steam Sales
Calendar Year-to-Date - April 2011

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	Budget Estimate	% Increase (Decrease) From Budget	This Year	% Increase (Decrease) Fr. Last Yr.	Last Year
<u>KWH Generated and Sold</u>					
Gross Generation	270,345,510	1.6	274,744,607	(40.7)	463,198,960
Less: Plant Use	<u>24,770,310</u>	15.9	<u>28,719,774</u>	(36.7)	<u>45,373,340</u>
Net Generation/Wholesale Sales	<u>245,575,200</u>	0.2	<u>246,024,833</u>	(41.1)	<u>417,825,620</u>
<u>Net Capacity Factors</u>					
Unit 9	31.73	1.5	32.20	(51.0)	65.65
Unit 8/8A	49.92	13.5	56.66	(13.0)	65.10
Unit 7	49.79	(30.4)	34.66	(11.7)	39.25
Total Plant	37.04	0.2	37.12	(40.9)	62.85
<u>KWH Distribution</u>					
Residential	31,511,749	6.2	33,464,818	(0.3)	33,569,284
Commercial I	12,218,308	3.5	12,650,353	1.7	12,438,107
Commercial II	32,109,178	0.4	32,229,149	0.5	32,072,487
Industrial I	34,925,923	5.0	36,667,560	3.3	35,486,322
Industrial II	148,735,124	0.2	149,094,492	1.2	147,327,063
City Enterprise Funds	1,999,712	(2.5)	1,949,726	(3.8)	2,027,060
Water & Communications Utilities	<u>5,259,817</u>	(8.0)	<u>4,841,482</u>	(12.8)	<u>5,552,714</u>
Native System Sales	266,759,811	1.6	270,897,580	0.9	268,473,037
City Lighting	663,490	(3.6)	639,386	(4.1)	666,976
City Buildings	2,171,827	7.2	2,328,297	1.4	2,296,056
Offline Power Plant Usage	---	--	221,341	22.3	180,931
Losses & Cycle Billing	<u>6,814,935</u>	11.8	<u>7,617,837</u>	78.4	<u>4,270,849</u>
Total Native System KWH					
Distributed/Purchased Power	<u>276,410,063</u>	1.9	<u>281,704,441</u>	2.1	<u>275,887,849</u>
<u>STEAM SALES - 1000 lbs</u>					
	<u>993,600</u>	5.6	<u>1,049,335</u>	6.2	<u>987,626</u>

Muscatine Power and Water - Electric Utility
Statements of Revenues, Expenses, and Changes in Net Assets
Current Month - April 2011

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$531,159	0.0779	\$552,491	0.0774	\$510,862	0.0750
Commercial I	226,092	0.0788	231,108	0.0786	214,442	0.0762
Commercial II	457,589	0.0592	453,625	0.0601	452,180	0.0570
Industrial I	456,501	0.0518	440,963	0.0513	442,217	0.0486
Industrial II	1,587,064	0.0437	1,585,131	0.0440	1,596,795	0.0418
City Enterprise Funds	24,101	0.0513	27,038	0.0571	25,359	0.0539
Water & Communication Utilities	66,942	0.0498	55,540	0.0488	68,877	0.0483
Native System Sales	3,349,448	0.0521	3,345,896	0.0524	3,310,732	0.0496
Wholesale Sales	1,473,780	0.0368	501,221	0.0269	2,645,528	0.0371
Energy Sales	4,823,228		3,847,117		5,956,260	
<u>Steam Sales</u>	866,100	3.49	938,523	3.52	974,387	3.91
<u>Other Revenue</u>						
Rail Car Lease	31,500		36,207		17,437	
By-Product Revenue	16,276		10,072		19,504	
Miscellaneous Revenue	36,679		48,162		39,266	
Total Other Revenue	84,455		94,441		76,207	
Operating Revenue	5,773,783		4,880,081		7,006,854	
<u>Operating Expense</u>						
Purchased Power	2,047,330	0.0309	1,798,045	0.0268	2,022,567	0.0296
Production Fuel	1,344,900		1,022,566		1,524,167	
Emissions Allowance	49,204		(73,723)		41,438	
Operation	1,923,429		1,682,244		1,738,902	
Maintenance	796,418		2,732,695		732,161	
Depreciation	928,218		921,606		1,186,227	
Total Operating Expense	7,089,499		8,083,433		7,245,462	
Operating Loss	(1,315,716)		(3,203,352)		(238,608)	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	128,629		113,273		119,646	
Interest Expense	(64,476)		(63,308)		(124,869)	
Total Nonoperating Revenue (Expense)	64,153		49,965		(5,223)	
Net Loss Before Revenue Adjustment and Capital Contributions	(1,251,563)		(3,153,387)		(243,831)	
Capital Contributions	---		8,873		---	
Change in Net Assets	(1,251,563)		(3,144,514)		(243,831)	
Beginning Net Assets	157,443,688		163,221,277		169,212,964	
Ending Net Assets	\$156,192,125		\$160,076,763		\$168,969,133	
Net Income (Loss) to Total Income	(21.2)		(63.0)		(3.4)	
Debt Service Coverage	(0.22)		(1.60)		0.95	

Statements of Revenues, Expenses, and Changes in Net Assets
Calendar Year-to-Date - April 2011

	<u>Budget Estimate</u>	<u>Avg. Price</u>	<u>This Year</u>	<u>Avg. Price</u>	<u>Last Year</u>	<u>Avg. Price</u>
<u>Sales of Electricity</u>						
Residential	\$2,381,264	0.0756	\$2,512,026	0.0751	\$2,420,646	0.0721
Commercial I	958,729	0.0785	987,756	0.0781	936,227	0.0753
Commercial II	1,895,398	0.0590	1,883,746	0.0584	1,809,281	0.0564
Industrial I	1,807,842	0.0518	1,838,583	0.0501	1,761,452	0.0496
Industrial II	6,485,683	0.0436	6,508,101	0.0437	6,178,776	0.0419
City Enterprise Funds	102,426	0.0512	109,438	0.0561	105,027	0.0518
Water & Communications Utilities	262,290	0.0499	236,417	0.0488	268,314	0.0483
Native System Sales	13,893,632	0.0521	14,076,067	0.0520	13,479,723	0.0502
Wholesale Sales	8,936,632	0.0364	8,083,347	0.0329	14,845,169	0.0355
Energy Sales	22,830,264		22,159,414		28,324,892	
<u>Steam Sales</u>	3,379,668	3.40	3,696,299	3.52	3,861,047	3.91
<u>Other Revenue</u>						
Rail Car Lease	63,000		219,956		90,806	
By-Product Revenue	37,010		31,494		61,286	
Miscellaneous Revenue	155,986		169,901		153,330	
Total Other Revenue	255,996		421,351		305,422	
Operating Revenue	26,465,928		26,277,064		32,491,361	
<u>Operating Expense</u>						
Purchased Power	9,326,463	0.0337	8,219,235	0.0292	8,989,330	0.0326
Production Fuel	6,669,920		6,730,878		7,676,977	
Emissions Allowance	196,816		187,346		352,143	
Operation	7,374,204		6,659,939		6,944,295	
Maintenance	7,100,676		6,760,506		2,709,998	
Depreciation	3,712,873		3,686,424		4,744,908	
Total Operating Expense	34,380,952		32,244,328		31,417,651	
Operating Income (Loss)	(7,915,024)		(5,967,264)		1,073,710	
<u>Nonoperating Revenue (Expense)</u>						
Interest Income	522,739		447,284		495,878	
Interest Expense	(257,902)		(254,442)		(499,113)	
Total Nonoperating Revenue (Expense)	264,837		192,842		(3,235)	
Net Income (Loss) Before Revenue Adjustment and Capital Contributions	(7,650,187)		(5,774,422)		1,070,475	
Capital Contributions	---		8,873		---	
Revenue Adjustment-Extraordinary O & M	---		2,000,000		5,100,000	
Change in Net Assets	(7,650,187)		(3,765,549)		6,170,475	
Beginning Net Assets	163,842,312		163,842,312		162,798,658	
Ending Net Assets	\$156,192,125		\$160,076,763		\$168,969,133	
Net Income (Loss) before Rev Adj to Total Income	(28.4)		(21.6)		3.3	
Net Income (Loss) after Rev Adj to Total Income	(28.4)		(14.1)		18.7	
Debt Service Coverage Before Transfers	(0.79)		(0.32)		1.37	
Debt Service Coverage After Transfers	(0.79)		0.11		2.47	

Muscatine Power and Water - Electric Utility
Statements of Net Assets
April 2011

ASSETS

	<u>2011</u>	<u>2010</u>
Current Assets:		
<u>Restricted</u>		
Cash - interest bearing	\$5,481,701	\$145,484
Investments	17,186,082	20,363,905
	<hr/>	<hr/>
Total Restricted Current Assets	<hr/> <u>22,667,783</u>	<hr/> <u>20,509,389</u>
<u>Unrestricted</u>		
Cash - interest bearing	3,430,436	5,126,728
Investments	3,000,000	10,290,620
Receivables:		
Consumer Accounts	4,306,713	4,120,792
Wholesale	---	665,642
Steam Sales	1,646,399	1,150,498
Interest	483,509	603,421
Intercompanies	22,929	8,465
Inventories	7,075,344	6,629,659
Fuel	9,865,960	8,065,791
Prepaid Expenses	951,215	1,017,678
	<hr/>	<hr/>
Total Unrestricted Current Assets	<hr/> <u>30,782,505</u>	<hr/> <u>37,679,294</u>
	<hr/>	<hr/>
Total Current Assets	<hr/> <u>53,450,288</u>	<hr/> <u>58,188,683</u>
Property and Equipment:		
At Cost	406,444,136	404,556,631
Less Accumulated Depreciation	295,201,097	282,528,165
	<hr/>	<hr/>
Net Property and Equipment	<hr/> <u>111,243,039</u>	<hr/> <u>122,028,466</u>
Other Assets:		
Unamortized Cost of Issuing Bonds	---	18,188
Note Receivable - Communications Utility	35,327,000	35,327,000
Joint Venture Rights	155,765	201,350
	<hr/>	<hr/>
Total Other Assets	<hr/> <u>35,482,765</u>	<hr/> <u>35,546,538</u>
TOTAL ASSETS	<hr/> <u>\$200,176,092</u>	<hr/> <u>\$215,763,687</u>

Muscatine Power and Water - Electric Utility
Statements of Net Assets
April 2011

LIABILITIES AND NET ASSETS

	<u>2011</u>	<u>2010</u>
Current Liabilities:		
<u>Restricted</u>		
2001 Revenue Bonds - Plus Unamortized Premium of \$49,115 in 2011 and \$50,804 in 2010; and Less Deferred Amount on Refund of \$48,246 in 2011 and \$45,756 in 2010	\$13,270,868	\$12,590,048
Accrued Interest	<u>243,283</u>	<u>474,008</u>
Total Restricted Current Liabilities	<u>13,514,151</u>	<u>13,064,056</u>
<u>Unrestricted</u>		
Accounts Payable	4,596,066	1,562,128
Pension Provision	637,504	568,140
Health & Dental Insurance Provision	233,632	216,660
Accrued Payroll	631,777	627,782
Accrued Vacation	1,169,754	1,130,444
Accrued Emission Allowance Expense	823,782	352,143
Consumers' Deposits	595,228	611,212
Accrued Property Taxes	79,205	82,486
Miscellaneous Accrued Expenses	666,429	527,607
Miscellaneous Deferred Credits	<u>52,850</u>	<u>86,050</u>
Total Unrestricted Current Liabilities	<u>9,486,227</u>	<u>5,764,652</u>
Total Current Liabilities	<u>23,000,378</u>	<u>18,828,708</u>
Non-Current Liabilities:		
Health & Dental Insurance Provision	1,815,775	1,886,066
Post-Employment Health Benefit Provision	128,014	---
Long-Term Debt - Less Current Portion:		
2001 Revenue Bonds - Plus Unamortized Premium of \$127,237 in 2010 and less Deferred Amount on Refunding of \$120,619 in 2010	---	<u>13,276,618</u>
Total Non-Current Liabilities	<u>1,943,789</u>	<u>15,162,684</u>
Deferred Revenue - Extraordinary O & M	<u>15,155,162</u>	<u>12,803,162</u>
Net Assets:		
Invested in capital assets, net of related debt	97,990,359	96,224,521
Restricted	22,424,500	20,035,381
Unrestricted	<u>39,661,904</u>	<u>52,709,231</u>
Total Net Assets	<u>160,076,763</u>	<u>168,969,133</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$200,176,092</u></u>	<u><u>\$215,763,687</u></u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
April 2011

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Cash flows from operating activities:		
Cash received from:		
Retail electric sales	\$3,531,621	\$14,391,604
MISO, net sales/purchases	2,131	3,938,080
Steam sales	1,020,148	3,831,743
Coal & transportation allowances	124,854	226,346
Railcar leasing	27,392	102,803
By-product sales	6,250	63,968
Miscellaneous sources	40,183	151,613
Cash paid to/for:		
Suppliers	(2,712,950)	(5,766,831)
Coal	(2,066,732)	(5,416,642)
Employees payroll, taxes and benefits	<u>(1,585,782)</u>	<u>(6,484,917)</u>
Net cash flows from operating activities	<u>(1,612,885)</u>	<u>5,037,767</u>
Cash flows from capital and related financing activities:		
Capital expenditures, net	(553,649)	(1,263,933)
Bond principal payments	---	(12,585,000)
Bond interest payments	---	<u>(711,013)</u>
Net cash flows from capital and related financing activities	<u>(553,649)</u>	<u>(14,559,946)</u>
Cash flows from investing activities:		
Purchase of joint venture rights	(12,525)	(25,050)
Interest received on investments and note receivable	8,305	678,431
Accrued Interest Purchased	---	--
Amortization/accretion of investments	1,498	4,752
Mark to market	<u>(11,923)</u>	<u>(51,028)</u>
Net cash flows from investing activities	<u>(14,645)</u>	<u>607,105</u>
Net decrease in cash and investments	<u>(2,181,179)</u>	<u>(8,915,074)</u>
Cash and investments at beginning of period	<u>31,279,398</u>	<u>38,013,293</u>
Cash and investments at end of period	<u>\$29,098,219</u>	<u>\$29,098,219</u>

Muscatine Power and Water - Electric Utility
Statements of Cash Flows
April 2011

	<u>Current</u> <u>Month</u>	<u>Year-</u> <u>To-Date</u>
Reconciliation of operating loss to net cash flows from operating activities		
Operating loss	(\$3,203,352)	(\$5,967,264)
Noncash items in operating income:		
Depreciation of electric utility plant	921,606	3,686,424
Amortization of joint venture rights	8,883	31,817
Changes in assets and liabilities:		
Consumer accounts receivable	128,671	640,371
Wholesale receivable	2,131	1,292,599
Steam sales receivable	81,272	719,346
Intercompany receivable	(4,694)	(729)
Inventories	(209,227)	(415,524)
Fuel	(888,237)	1,252,627
Prepaid expenses	32,544	(422,794)
Hedge Asset	1,073,400	2,196,100
Accounts payable	1,291,968	2,972,066
Pension provision	159,376	637,504
Health & dental insurance provision	(60,788)	(43,107)
Other post-employment benefit provision	2,462	9,848
Accrued payroll	70,402	337,450
Accrued vacation	27,140	153,697
Accrued emission allowance expense	43,012	187,346
Consumers' deposits	(4,681)	(2,564)
Retained percentage	—	—
Accrued property taxes	7,813	(10,215)
Miscellaneous accrued expenses	(19,186)	(21,131)
Miscellaneous deferred credits	(1,073,400)	(2,196,100)
Hedge Liability	—	—
Net cash flows from operating activities	<u>(\$1,612,885)</u>	<u>\$5,037,767</u>

**Muscatine Power and Water - Electric Utility
Funds Appropriated for Specific Purposes
April 2011**

	<u>This Year</u>	<u>Last Year</u>
Bond Reserve Fund	\$7,484,647	\$7,462,265
Extraordinary Operation & Maintenance Account	<u>15,183,136</u>	<u>13,047,124</u>
Total Cash and Investments Appropriated for Specific Purposes	<u>\$22,667,783</u>	<u>\$20,509,389</u>

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - April 2011

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>
	<u>Estimate</u>		<u></u>		<u></u>
Purchased Power	\$2,047,330	35.5	\$1,798,045	36.8	\$2,022,567
Average price per kWh	\$0.0309		\$0.0268		\$0.0296
Generation					
Operation Supervision	73,455		77,009		78,202
Fuel:					
Coal	1,235,258		833,468		1,422,000
Fuel Oil	11,200		114,146		18,941
Gas	32,600		12,913		13,034
Coal Handling Expense	58,473		55,504		61,540
Landfill Operation Expense	7,369		6,535		8,652
Emissions Allowance Expense	49,204		(73,723)		41,438
Steam Expense:					
Boiler	128,730		90,168		102,870
Pollution Control	102,225		29,338		39,423
Electric Expense	101,337		83,796		94,405
Miscellaneous Steam Power Expense	120,941		128,792		102,140
Maintenance:					
Supervision	79,566		88,542		83,854
Structures	63,151		102,559		56,105
Boiler Plant:					
Boiler	148,184		748,380		157,748
Pollution Control	100,779		499,264		60,719
Electric Plant	60,388		994,235		40,743
System Control	19,635		19,492		21,309
Miscellaneous Steam Plant	51,935		52,844		53,480
Coal Handling Equipment	97,478		76,351		71,520
System Control and Load Dispatch	59,530		5,639		80,428
Vacation, Holiday, Sick Leave	106,381		106,832		113,745
Depreciation	621,860		620,375		885,239
Total Generation Expense	\$3,329,679	57.7	\$4,672,459	95.7	\$3,607,535
					51.5

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - April 2011

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	Budget		This Year	Last Year
	<u>Estimate</u>	<u>This Year</u>		
Purchased Power	\$9,326,463	35.2	\$8,219,235	31.3
Average price per kWh	\$0.0337		\$0.0292	
<u>Generation</u>				
Operation Supervision	300,330		326,723	
Fuel:				
Coal	6,235,611		6,252,684	
Fuel Oil	41,314		122,454	
Gas	127,400		92,346	
Coal Handling Expense	245,933		245,216	
Landfill Operation Expense	19,662		18,178	
Emissions Allowance Expense	196,816		187,346	
Steam Expense:				
Boiler	426,869		421,191	
Pollution Control	240,561		105,660	
Electric Expense	394,467		335,635	
Miscellaneous Steam Power Expense	534,077		491,191	
Maintenance:				
Supervision	318,690		360,286	
Structures	405,385		293,295	
Boiler Plant:				
Boiler	2,078,548		2,126,757	
Pollution Control	782,989		713,121	
Electric Plant	2,014,287		1,959,275	
System Control	89,474		81,368	
Miscellaneous Steam Plant	240,401		256,573	
Coal Handling Equipment	386,996		327,465	
System Control and Load Dispatch	243,555		144,922	
Vacation, Holiday, Sick Leave	327,256		326,365	
Depreciation	<u>2,487,441</u>		<u>2,481,500</u>	
Total Generation Expense	<u>\$18,138,062</u>	68.5	<u>\$17,669,551</u>	67.2
				<u>\$16,064,401</u>
				49.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - April 2011

	<u>Budget</u>			
	<u>Estimate</u>	<u>This Year</u>	<u>Last Year</u>	
<u>Transmission</u>				
Operation Supervision	\$3,736	\$1,564	\$3,857	
Load Dispatching	10,998	7,422	8,164	
Station Expense	7,004	4,969	6,535	
Overhead Line Expense	184	131	138	
Miscellaneous Transmission Expense	12,101	13,381	8,475	
Maintenance:				
Supervision	1,949	1,570	1,849	
Structures	940	---	---	
Station Equipment	5,961	3,949	6,170	
Overhead Lines	5,514	7,235	11,566	
Vacation, Holiday, Sick Leave	6,334	6,526	6,277	
Depreciation	30,608	30,592	30,568	
Tax on Rural Property	<u>5,560</u>	<u>5,543</u>	<u>5,942</u>	
Total Transmission Expense	<u>90,889</u>	<u>1.6</u>	<u>82,882</u>	<u>1.7</u>
				89,541 1.3
<u>Distribution</u>				
Operation Supervision	10,605	9,376	12,567	
Load Dispatching	40,399	27,626	8,060	
Station Expense	6,867	5,811	9,446	
Overhead Line Expense	2,592	1,012	822	
Vehicle Expense	15,144	15,242	15,154	
Underground Line Expense	3,189	3,480	3,922	
Street Lighting	1,570	3,241	2,857	
Signal Expense	620	558	5,230	
Meter Expense	8,979	8,895	10,410	
Consumer Installation Expense	1,397	1,957	946	
Miscellaneous Distribution Expense	57,350	51,894	60,525	
Maintenance:				
Supervision	9,491	9,194	10,947	
Structures	1,076	---	---	
Station Equipment	9,334	8,761	17,855	
Overhead Lines	59,175	41,186	55,170	
Underground Lines	8,087	3,486	8,881	
Line Transformers	3,209	6,232	8,748	
Street Lighting	4,914	6,265	7,955	
Signal System	1,505	7,453	2,532	
Meters	276	2,509	750	
Miscellaneous Distribution Plant	2,917	1,773	4,738	
Vacation, Holiday, Sick Leave	29,684	30,164	34,417	
Depreciation	150,714	148,879	146,484	
Tax on Rural Property	<u>1,661</u>	<u>1,661</u>	<u>1,775</u>	
Total Distribution Expense	<u>\$430,755</u>	<u>7.5</u>	<u>\$396,655</u>	<u>8.1</u>
				\$430,191 6.1

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - April 2011

	Budget		This Year		Last Year
	Estimate				
<u>Transmission</u>					
Operation Supervision	\$15,253		\$13,009		\$15,667
Load Dispatching	42,930		31,973		31,064
Station Expense	28,777		23,242		35,735
Overhead Line Expense	303		870		1,176
Miscellaneous Transmission Expense	52,749		39,742		42,966
Maintenance:					
Supervision	7,845		7,297		7,248
Structures	9,891		---		211
Station Equipment	29,436		19,417		31,089
Overhead Lines	22,056		37,299		55,077
Vacation, Holiday, Sick Leave	20,494		22,082		23,346
Depreciation	122,431		122,368		122,272
Tax on Rural Property	<u>22,240</u>		<u>22,319</u>		<u>23,910</u>
 Total Transmission Expense	 <u>374,405</u>	 1.4	 <u>339,618</u>	 1.3	 <u>389,761</u> 1.2
 <u>Distribution</u>					
Operation Supervision	44,006		43,350		48,841
Load Dispatching	160,778		124,314		30,655
Station Expense	27,817		30,184		34,019
Overhead Line Expense	11,718		9,328		3,776
Vehicle Expense	60,584		56,403		61,318
Underground Line Expense	12,960		8,375		10,006
Street Lighting	5,980		9,002		10,252
Signal Expense	2,364		702		6,319
Meter Expense	38,271		34,683		38,280
Consumer Installation Expense	5,601		6,365		5,537
Miscellaneous Distribution Expense	<u>255,278</u>		<u>206,003</u>		<u>259,846</u>
Maintenance:					
Supervision	40,230		40,099		42,791
Structures	1,986		---		---
Station Equipment	41,315		42,475		47,032
Overhead Lines	250,807		196,231		228,490
Underground Lines	32,620		19,193		18,811
Line Transformers	14,113		24,021		26,528
Street Lighting	19,626		19,627		21,628
Signal System	7,516		19,878		8,657
Meters	2,406		9,355		750
Miscellaneous Distribution Plant	11,667		6,187		11,059
Vacation, Holiday, Sick Leave	95,376		106,169		119,797
Depreciation	602,857		595,516	--	585,936
Tax on Rural Property	<u>6,644</u>		<u>6,683</u>		<u>7,130</u>
 Total Distribution Expense	 <u>\$1,752,520</u>	 6.6	 <u>\$1,614,143</u>	 6.1	 <u>\$1,627,458</u> 5.0

Muscatine Power and Water - Electric Utility
Summary of Expenses
Current Month - April 2011

	<u>Budget</u>		<u>This Year</u>		<u>Last Year</u>
	<u>Estimate</u>		<u></u>		<u></u>
<u>Customer Service Expense</u>					
Customer Information Expense	\$58,436		\$29,937		\$23,056
Electric Ranges/Dryers-Maint/Promotion	1,327		1,101		1,764
Electric Water Heaters-Maint/Promotion	877		724		1,654
 Total Customer Service Expense	 60,640	 1.1	 31,762	 0.7	 26,474 0.4
 <u>Consumer Accounts</u>					
Supervision	1,903		1,992		2,202
Meter Reading Expense	8,979		7,692		7,924
Consumer Records and Collection	30,381		27,657		32,898
Uncollectible Accounts Expense	1,942		1,942		1,834
Vacation, Holiday, Sick Leave	3,781		4,241		4,557
 Total Consumer Accounts Expense	 46,986	 0.8	 43,524	 0.9	 49,415 0.7
 <u>Administrative and General</u>					
Administrative and General Salaries	170,234		161,258		166,738
Office Supplies and Expenses	17,583		15,647		13,113
Outside Services Employed	63,510		82,317		63,044
Property Insurance	39,120		38,808		41,012
Casualty Ins, Injuries & Damages	38,044		59,066		41,192
Employee Pensions and Benefits	510,638		496,904		464,751
Fringe Benefits Charged to Constr.	(16,326)		(23,473)		(14,956)
Regulatory Commission	4,400		4,400		4,400
Miscellaneous General Expense	38,676		19,123		36,710
Maintenance of General Plant	29,792		29,513		22,987
Maintenance of A/O Center	31,162		21,902		26,535
Vacation, Holiday, Sick Leave	31,351		30,881		30,277
Depreciation	125,036		121,760		123,936
 Total Administrative and General	 1,083,220	 18.8	 1,058,106	 21.7	 1,019,739 14.6
 Total Operating Expense	 \$7,089,499		 \$8,083,433		 \$7,245,462
 Percent to Operating Revenue		122.8		165.6	
					103.4

Muscatine Power and Water - Electric Utility
Summary of Expenses
Calendar Year-to-Date - April 2011

	Budget Estimate	This Year	Last Year
<u>Customer Service Expense</u>			
Customer Information Expense	\$229,195	\$118,988	\$68,014
Electric Ranges/Dryers-Maint/Promotion	5,807	3,956	5,450
Electric Water Heaters-Maint/Promotion	<u>3,476</u>	<u>4,342</u>	<u>4,609</u>
Total Customer Service Expense	<u>\$238,478</u>	0.9	<u>\$78,073</u> 0.2
<u>Consumer Accounts</u>			
Supervision	7,612	7,761	7,970
Meter Reading Expense	32,824	32,627	34,393
Consumer Records and Collection	122,138	112,307	123,684
Uncollectible Accounts Expense	7,767	7,767	7,336
Vacation, Holiday, Sick Leave	<u>11,779</u>	<u>14,629</u>	<u>15,230</u>
Total Consumer Accounts Expense	<u>182,120</u>	0.7	<u>188,613</u> 0.6
<u>Administrative and General</u>			
Administrative and General Salaries	681,975	678,063	640,801
Office Supplies and Expenses	75,697	55,226	56,025
Outside Services Employed	245,650	256,823	309,347
Property Insurance	162,156	161,846	164,031
Casualty Ins, Injuries & Damages	152,174	160,455	137,390
Employee Pensions and Benefits	1,980,715	1,955,990	1,874,140
Fringe Benefits Charged to Constr.	(66,790)	(84,969)	(46,540)
Regulatory Commission	17,600	17,600	31,598
Miscellaneous General Expense	224,228	111,988	110,754
Maintenance of General Plant	127,487	100,740	94,497
Maintenance of A/O Center	164,905	100,547	99,884
Vacation, Holiday, Sick Leave	102,963	98,055	112,344
Depreciation	<u>500,144</u>	<u>487,040</u>	<u>495,744</u>
Total Administrative and General	<u>4,368,904</u>	16.5	<u>4,099,404</u> 15.6
Total Operating Expense	<u>\$34,380,952</u>	<u>\$32,244,328</u>	<u>\$31,417,651</u>
Percent to Operating Revenue	129.9	122.7	96.7

Muscatine Power and Water - Electric Utility
Statistical Data
April 2011

Per KWH Delivered to Wholesale Customers

	Current Month <u>2011 Budget</u>	Current Month <u>2011 Actual</u>	Current Month <u>2010 Actual</u>	Year-To-Date <u>2011 Budget</u>	Year-To-Date <u>2011 Actual</u>	Year-To-Date <u>2010 Actual</u>
Wholesale Sales KWHs	<u>40,076,400</u>	<u>18,601,771</u>	<u>71,327,538</u>	<u>245,575,200</u>	<u>246,024,833</u>	<u>417,825,620</u>
Wholesale Sales	<u>\$0.03677</u>	<u>\$0.02694</u>	<u>\$0.03709</u>	<u>\$0.03639</u>	<u>\$0.03286</u>	<u>\$0.03553</u>
Less:						
Generation	<u>0.06862</u>	<u>0.21929</u>	<u>0.04275</u>	<u>0.06463</u>	<u>0.06198</u>	<u>0.03299</u>
Transmission	<u>0.00227</u>	<u>0.00446</u>	<u>0.00126</u>	<u>0.00152</u>	<u>0.00138</u>	<u>0.00093</u>
Subtotal	<u>0.07089</u>	<u>0.22375</u>	<u>0.04401</u>	<u>0.06615</u>	<u>0.06336</u>	<u>0.03392</u>
Wholesale Margin	<u>(\$0.03412)</u>	<u>(\$0.19681)</u>	<u>(\$0.00692)</u>	<u>(\$0.02976)</u>	<u>(\$0.03050)</u>	<u>\$0.00161</u>

Per KWH Delivered to Paying Native System Customers

	Current Month <u>2011 Budget</u>	Current Month <u>2011 Actual</u>	Current Month <u>2010 Actual</u>	Year-To-Date <u>2011 Budget</u>	Year-To-Date <u>2011 Actual</u>	Year-To-Date <u>2010 Actual</u>
Native System Sales KWHs	<u>64,348,560</u>	<u>63,901,736</u>	<u>66,769,480</u>	<u>266,759,811</u>	<u>270,897,580</u>	<u>268,473,037</u>
Native System Sales	<u>\$0.05205</u>	<u>\$0.05236</u>	<u>\$0.04958</u>	<u>\$0.05208</u>	<u>\$0.05196</u>	<u>\$0.05021</u>
Less:						
Purchased Power	<u>0.03182</u>	<u>0.02814</u>	<u>0.03029</u>	<u>0.03496</u>	<u>0.03034</u>	<u>0.03348</u>
Distribution	<u>0.00669</u>	<u>0.00621</u>	<u>0.00644</u>	<u>0.00657</u>	<u>0.00596</u>	<u>0.00606</u>
Customer Service	<u>0.00094</u>	<u>0.00050</u>	<u>0.00040</u>	<u>0.00089</u>	<u>0.00047</u>	<u>0.00029</u>
Consumers Accounts	<u>0.00073</u>	<u>0.00068</u>	<u>0.00074</u>	<u>0.00068</u>	<u>0.00065</u>	<u>0.00070</u>
Administrative & General	<u>0.01683</u>	<u>0.01656</u>	<u>0.01527</u>	<u>0.01638</u>	<u>0.01513</u>	<u>0.01520</u>
Subtotal	<u>0.05702</u>	<u>0.05208</u>	<u>0.05314</u>	<u>0.05949</u>	<u>0.05255</u>	<u>0.05574</u>
Native System Margin	<u>(0.00496)</u>	<u>0.00028</u>	<u>(0.00356)</u>	<u>(0.00740)</u>	<u>(0.00059)</u>	<u>(0.00553)</u>
Wholesale Margin	<u>(0.02124)</u>	<u>(0.05729)</u>	<u>(0.00739)</u>	<u>(0.02740)</u>	<u>(0.02770)</u>	<u>0.00250</u>
Net Electric Margin before Steam Sales	<u>(\$0.02621)</u>	<u>(\$0.05701)</u>	<u>(\$0.01095)</u>	<u>(\$0.03480)</u>	<u>(\$0.02829)</u>	<u>(\$0.00303)</u>
Net Electric Margin after Steam Sales	<u>(\$0.02176)</u>	<u>(\$0.05161)</u>	<u>(\$0.00471)</u>	<u>(\$0.03063)</u>	<u>(\$0.02358)</u>	<u>\$0.00286</u>

Total Fuel Cost
(To & Including Ash Handling)

	Current Month		Calendar Year-To-Date	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Per Million Btu.	<u>\$2,003</u>	<u>\$1,420</u>	<u>\$1,574</u>	<u>\$1,330</u>
Per Net MW Generated	<u>\$26.21</u>	<u>\$15.55</u>	<u>\$16.84</u>	<u>\$14.65</u>
Net Peak Monthly Demand-KW	<u>109,880</u>	<u>113,500</u>	<u>116,470</u>	<u>115,800</u>
Date of Peak	<u>4/1</u>	<u>4/14</u>	<u>1/13</u>	<u>2/24</u>
Hour of Peak	<u>1000</u>	<u>1400</u>	<u>1200</u>	<u>0800</u>
Average Temperature	<u>49°</u>	<u>58°</u>		
Services	<u>2011</u>	<u>2010</u>		
Residential	<u>9,676</u>	<u>9,666</u>		
Commercial I	<u>1,391</u>	<u>1,390</u>		
Commercial II	<u>117</u>	<u>118</u>		
Industrial I	<u>11</u>	<u>11</u>		
Industrial II	<u>2</u>	<u>2</u>		
City Enterprise Funds	<u>22</u>	<u>22</u>		
Water & Communications Utility	<u>33</u>	<u>39</u>		
Total	<u>11,252</u>	<u>11,248</u>		

Muscatine Power and Water - Electric Utility
Wholesale Sales Analysis
Current Month - April 2011

	<u>Budget Estimate</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
Wholesale kWh Sales	40,076,400		18,601,771		71,327,538	
Wholesale Sales	\$1,473,780	\$0.0368	\$501,221	\$0.0269	\$2,645,528	\$0.0371
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	764,803	0.0191	412,819	0.0222	1,024,750	0.0144
SO ² Allowances ^{fn1}	319	0.0000	190	0.0000	1,910	0.0000
NO _x Allowances ^{fn2}	48,884	0.0012	8,671	0.0005	35,438	0.0005
Other ^{fn4}	283,062	0.0071	275,332	0.0148	296,229	0.0042
Total Variable Costs	<u>1,097,068</u>	<u>0.0274</u>	<u>697,012</u>	<u>0.0375</u>	<u>1,358,327</u>	<u>0.0190</u>
Gross Margin	\$376,712	\$0.0094	(\$195,791)	(\$0.0105)	\$1,287,201	\$0.0180
Percent Gross Margin	25.6%		-39.1%		48.7%	

Calendar Year To Date

	<u>Budget Estimate</u>	<u>\$/kWh</u>	<u>This Year</u>	<u>\$/kWh</u>	<u>Last Year</u>	<u>\$/kWh</u>
Wholesale kWh Sales	245,575,200		246,024,833		417,825,620	
Wholesale Sales	\$8,936,632	\$0.0364	\$8,083,347	\$0.0329	\$14,845,169	\$0.0355
Variable Costs						
Fuel (Coal, Gas & Fuel Oil)	4,408,650	0.0180	4,316,241	0.0175	5,778,215	0.0138
SO ² Allowances ^{fn1}	1,276	0.0000	2,073	0.0000	17,941	0.0000
NO _x Allowances ^{fn3}	151,544	0.0006	117,545	0.0005	335,047	0.0008
Other ^{fn4}	1,132,248	0.0046	1,101,328	0.0045	1,184,916	0.0028
Total Variable Costs	<u>5,693,718</u>	<u>0.0232</u>	<u>5,537,187</u>	<u>0.0225</u>	<u>7,316,119</u>	<u>0.0175</u>
Gross Margin	\$3,242,914	\$0.0132	\$2,546,160	\$0.0103	\$7,529,050	\$0.0180
Percent Gross Margin	36.3%		31.5%		50.7%	

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

	<u>Budget</u>	<u>2011</u>	<u>2010</u>
fn1 SO ²	\$30.00	\$4.50	\$56.00
YTD SO ²	30.00	7.88	63.12
fn2 NO _x annual	400.00	155.00	390.00
NO _x seasonal	50.00	0.00	0.00
fn3 YTD NO _x annual	400.00	279.39	536.16
YTD NO _x seasonal	50.00	0.00	0.00

fn4 Other includes variable generation O&M, rail car cost, and Title V permit fees