

Statements of Net Position - Business - Type Activities

South Carolina Public Service Authority

As of December 31, 2017 and December 31, 2016

	December 31, 2017 (Audited)	December 31, 2016 (Audited)
	(Thousands)	
ASSETS		
Current assets		
Unrestricted cash and cash equivalents	\$ 731,758	\$ 90,873
Unrestricted investments	740,777	725,865
Restricted cash and cash equivalents	71,338	87,524
Restricted investments	163,360	792,490
Receivables, net of allowance for doubtful accounts of \$2,177 and \$2,179 at December 31, 2017 and December 31, 2016, respectively	228,575	198,532
Materials inventory	132,859	131,678
Fuel inventory		
Fossil fuels	307,279	419,332
Nuclear fuel-net	107,420	164,960
Interest receivable	2,522	3,425
Prepaid expenses and other current assets	132,506	164,487
Total current assets	2,618,394	2,779,166
Noncurrent assets		
Restricted cash and cash equivalents	27	251
Restricted investments	135,654	130,925
Capital assets		
Utility plant	7,545,203	7,271,505
Long lived assets-asset retirement cost	265,116	265,116
Accumulated depreciation	(3,773,415)	(3,620,430)
Total utility plant-net	4,036,904	3,916,191
Construction work in progress	763,490	4,292,907
Other physical property-net	31,628	5,689
Investment in associated companies	6,587	6,569
Unamortized debt expenses	38,611	40,302
Costs to be recovered from future revenue	229,876	234,215
Regulatory asset-asset retirement obligation	694,036	672,036
Regulatory asset-nuclear	4,248,478	0
Other noncurrent and regulatory assets	157,007	159,978
Total noncurrent assets	10,342,298	9,459,063
Total assets	\$ 12,960,692	\$ 12,238,229
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow - pension	\$ 41,181	\$ 51,616
Accumulated decrease in fair value of hedging derivatives	39,916	39,630
Unamortized loss on refunded and defeased debt	158,625	180,349
Total deferred outflows of resources	\$ 239,722	\$ 271,595
Total assets & deferred outflows of resources	\$ 13,200,414	\$ 12,509,824

Statements of Net Position - Business - Type Activities (continued)

South Carolina Public Service Authority

As of December 31, 2017 and December 31, 2016

	December 31, 2017 (Audited)	December 31, 2016 (Audited)
	(Thousands)	
LIABILITIES		
Current liabilities		
Current portion of long-term debt	\$ 48,546	\$ 134,055
Accrued interest on long-term debt	50,383	54,418
Revolving credit agreement	219,000	0
Commercial paper	144,484	399,899
Accounts payable	304,377	233,645
Other current liabilities	97,075	94,550
Total current liabilities	863,865	916,567
Noncurrent liabilities		
Construction liabilities	17,130	11,059
Net Pension Liability	338,783	324,956
Asset retirement obligation liability	729,969	739,821
Total long-term debt (net of current portion)	7,465,968	7,661,497
Unamortized debt discounts and premiums	431,174	473,419
Long-term debt-net	7,897,142	8,134,916
Other credits and noncurrent liabilities	97,085	110,099
Total noncurrent liabilities	9,080,109	9,320,851
Total liabilities	\$ 9,943,974	\$ 10,237,418
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension	\$ 4,817	\$ 13,582
Accumulated increase in fair value of hedging derivatives	5,374	9,991
Nuclear decommissioning costs	226,767	218,497
Deferred inflows - Toshiba settlement	898,215	0
Total deferred inflows of resources	\$ 1,135,173	\$ 242,070
NET POSITION		
Net invested in capital assets	\$ 1,523,505	\$ 1,168,907
Restricted for debt service	32,430	39,158
Restricted for capital projects	1,284	1,663
Unrestricted	564,048	820,608
Total net position	\$ 2,121,267	\$ 2,030,336
Total liabilities, deferred inflows of resources & net position	\$ 13,200,414	\$ 12,509,824

Statements of Revenues, Expenses and Changes in Net Position - Business - Type Activities

South Carolina Public Service Authority

Years Ended December 31, 2017 and 2016

	December 31, 2017 (Audited)	December 31, 2016 (Audited)
	(Thousands)	
Operating revenues		
Sale of electricity	\$ 1,732,292	\$ 1,721,108
Sale of water	8,575	8,230
Other operating revenue	16,116	16,319
Total operating revenues	1,756,983	1,745,657
Operating expenses		
Electric operating expenses		
Production	131,951	137,166
Fuel	562,539	632,171
Purchased and interchanged power	198,157	143,566
Transmission	23,663	24,516
Distribution	11,771	10,999
Customer accounts	16,094	16,745
Sales	12,018	9,891
Administrative and general	100,779	94,022
Electric maintenance expenses	110,368	119,847
Water operating expenses	3,061	3,005
Water maintenance expenses	1,090	1,068
Total operating and maintenance expenses	1,171,491	1,192,996
Depreciation	181,094	177,004
Sums in lieu of taxes	4,586	4,942
Total operating expenses	1,357,171	1,374,942
Operating income	399,812	370,715
Nonoperating revenues (expenses)		
Interest and investment revenue	12,403	13,001
Net decrease in the fair value of investments	(438)	(1,635)
Interest expense on long-term debt	(267,847)	(239,672)
Interest expense on commercial paper and other	(5,013)	(3,896)
Amortization expense	11,951	14,391
Costs to be recovered from future revenue	(4,339)	(6,708)
U.S. Treasury subsidy on Build America Bonds	7,583	7,575
Other-net	(45,430)	(46,033)
Total nonoperating revenues (expenses)	(291,130)	(262,977)
Income before transfers	108,682	107,738
Capital contributions & transfers		
Distribution to the State	(17,751)	(19,192)
Total capital contributions & transfers	(17,751)	(19,192)
Change in net position	90,931	88,546
Total net position-beginning	2,030,336	1,941,790
Total net position-ending	\$ 2,121,267	\$ 2,030,336

Statements of Cash Flows - Business - Type Activities

South Carolina Public Service Authority
Years Ended December 31, 2017 and 2016

	December 31, 2017 (Audited)	December 31, 2016 (Audited)
	(Thousands)	
Cash flows from operating activities		
Receipts from customers	\$ 1,726,942	\$ 1,722,539
Payments to non-fuel suppliers	(308,098)	(380,450)
Payments for fuel	(557,944)	(624,554)
Purchased power	(198,157)	(143,566)
Payments to employees	(190,707)	(185,588)
Other receipts-net	219,440	325,296
Net cash provided by operating activities	691,476	713,677
Cash flows from non-capital related financing activities		
Distribution to the State	(17,751)	(19,192)
Proceeds from sale of bonds	0	78,011
Proceeds from revolving credit agreement draw	190,000	100,000
Repayment of revolving credit agreement draw	(70,000)	0
Proceeds from issuance of commercial paper notes	30,450	78,115
Repayment of commercial paper notes	(268,888)	(238,607)
Refunding / defeasance of long-term debt	(120)	(80,555)
Repayment of long-term debt	(746)	(260)
Interest paid on long-term debt	(11,051)	(9,433)
Interest paid on commercial paper and other	(4,904)	(6,204)
Bond issuance and other related costs	(185)	2,726
Net cash used in non-capital related financing activities	(153,195)	(95,399)
Cash flows from capital-related financing activities		
Proceeds from sale of bonds	0	1,391,631
Proceeds from revolving credit agreement draw	126,500	0
Repayment of revolving credit agreement draw	(26,000)	0
Proceeds from issuance of commercial paper notes	23,284	58,974
Repayment of commercial paper notes	(40,261)	(96,103)
Refunding / defeasance of long-term debt	(157,488)	(670,925)
Repayment of long-term debt	(127,308)	(159,529)
Interest paid on long-term debt	(364,062)	(362,102)
Interest paid on commercial paper and other	(2,415)	(1,336)
Construction and betterments of utility plant	(824,255)	(1,126,306)
Bond issuance and other related costs	(8,715)	87,450
Toshiba settlement proceeds	898,215	
Other-net	(33,661)	(28,981)
Net cash used in capital-related financing activities	(536,166)	(907,227)
Cash flows from investing activities		
Net decrease in investments	609,051	172,117
Interest on investments	13,309	12,932
Net cash provided by investing activities	622,360	185,049
Net increase (decrease) in cash and cash equivalents	624,475	(103,900)
Cash and cash equivalents-beginning	178,648	282,548
Cash and cash equivalents-ending	\$ 803,123	\$ 178,648

Statements of Cash Flows - Business - Type Activities (continued)

South Carolina Public Service Authority
 Years Ended December 31, 2017 and 2016

	December 31, 2017 (Audited)	December 31, 2016 (Audited)
	(Thousands)	
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 399,812	\$ 370,715
<i>Adjustments to reconcile operating income to net cash provided by operating activities</i>		
Depreciation	181,094	177,004
Amortization of nuclear fuel	24,792	28,125
Net power gains involving associated companies	(50,542)	(35,616)
Distributions from associated companies	46,122	31,749
Advances to associated companies	(27)	(36)
Other income and expenses	(29,488)	(31,901)
Changes in assets and liabilities		
Accounts receivable-net	(30,043)	(22,601)
Inventories	110,872	82,965
Prepaid expenses	25,208	65,874
Other deferred debits	(14,092)	41,139
Accounts payable	21,011	(8,943)
Other current liabilities	394	(1,881)
Other noncurrent liabilities	6,363	17,084
Net cash provided by operating activities	\$ 691,476	\$ 713,677
Composition of cash and cash equivalents		
Current		
Unrestricted cash and cash equivalents	\$ 731,758	\$ 90,873
Restricted cash and cash equivalents	71,338	87,524
Noncurrent		
Restricted cash and cash equivalents	27	251
Cash and cash equivalents at the end of the period	\$ 803,123	\$ 178,648
Noncash Capital Activities	\$ 139,536	\$ 89,815