

EXECUTIVE SUMMARY

Second Quarter 2020 Compared to 2019

The financial results for the second quarter of 2020 showed an increase in income before transfers of \$3.6 million as compared to the same period last year.

Operating revenue decreased \$49.7 million over the same period in 2019 due to lower energy sales and demand usage due to impacts from the Covid-19 pandemic as well as milder weather in the current year. Lower fuel rate revenues also added to this decrease.

Operating expense for the second quarter of 2020 decreased \$27.3 million over the same period in 2019, primarily due to lower fuel and purchased power from lower energy sales, lower natural gas prices and a shift in generation mix.

Interest expense decreased \$5.4 million over the same period in 2019 as a result of the 2018 and 2019 defeasances.

Other revenue (expense) change of \$7.4 million resulting from lower amortization of the regulatory inflows-Toshiba settlement. This amortization was to align with the utilization of settlement funds for current year maturities associated with the 2018 and 2019 debt defeasances.

Costs to be recovered (CTBR) income increased \$28.0 million over the same period in 2019. This was due to higher depreciation in 2020 as compared to 2019, primarily due to a depreciation rate change on CTBR assets.

Combined Statements of Net Position
As of June 30, 2020 and December 31, 2019
Millions of Dollars
Unaudited

	June 30, 2020	December 31, 2019
Current assets		(Restated)
Unrestricted funds	\$463.5	\$481.4
Restricted funds	105.8	70.6
Fuel inventory	248.2	233.2
Other current assets	417.1	409.9
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Total current assets	1,234.6	1,195.1
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Noncurrent assets		
Total utility plant - net	5,046.9	5,092.7
Cost to be recovered	332.5	274.3
Regulatory assets-OPEB	153.2	153.2
Regulatory assets-nuclear	3,745.5	3,747.8
Other noncurrent assets	333.8	337.3
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Total noncurrent assets	9,611.9	9,605.3
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Deferred outflows of resources	946.2	968.5
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Total assets & deferred outflows	\$11,792.7	\$11,768.9
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Current liabilities		
Current debt and interest	\$416.7	\$362.3
Other current liabilities	260.6	328.7
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Total current liabilities	677.3	691.0
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Noncurrent liabilities		
Net Pension liability	331.0	326.2
Net OPEB liability	186.7	186.7
Asset retirement obligation liability	709.4	717.8
Long-term debt-net	6,884.5	6,901.1
Other noncurrent liabilities	242.5	243.4
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Total noncurrent liabilities	8,354.1	8,375.2
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Deferred inflows of resources	619.9	637.6
Total net position	2,141.4	2,065.1
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Total liabilities & deferred inflows	\$11,792.7	\$11,768.9
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Combined Statements of Revenues, Expenses and Changes in Net Position

Millions of Dollars

Unaudited

	<i>Current Quarter</i>		<i>12 Months to Date</i>	
	<i>Apr 1 - Jun 30</i>		<i>Jul 1 - Jun 30</i>	
	<u>This Year</u>	<u>Last Year</u>	<u>This Year</u>	<u>Last Year</u>
Operating revenue	\$373.0	\$422.7	\$1,658.4	\$1,741.2
O&M expense	\$233.5	\$274.5	\$1,062.6	\$1,133.7
Depreciation & sums in lieu of taxes	\$64.0	\$50.3	\$233.3	\$192.9
Operating expense	297.5	324.8	1,295.9	1,326.6
Operating Income	\$75.5	\$97.9	\$362.5	\$414.6
Nonoperating revenues (expenses)				
Interest charges	(\$79.5)	(\$84.9)	(\$337.2)	(\$347.4)
Other revenues (expenses)	\$13.4	\$20.8	(\$149.3)	\$126.1
Costs to be recovered	\$30.7	\$2.7	\$101.4	\$2.2
Total nonoperating revenues (expenses)	(35.4)	(61.4)	(385.1)	(219.1)
Income before transfers	\$40.1	\$36.5	(\$22.6)	\$195.5