

Combined Statements of Net Position

South Carolina Public Service Authority

As of June 30, 2016 and December 31, 2015

	June 30, 2016	December 31, 2015
	(Unaudited)	(Audited)
	(Thousands)	
ASSETS		
Current assets		
Unrestricted cash and cash equivalents	\$ 145,574	\$ 113,413
Unrestricted investments	465,959	531,120
Restricted cash and cash equivalents	103,497	168,930
Restricted investments	843,369	1,165,630
Receivables, net of allowance for doubtful accounts of \$1,865 and \$1,662 at June 30, 2016 and December 31, 2015, respectively	227,510	175,931
Materials inventory	129,716	126,259
Fuel inventory		
Fossil fuels	496,719	507,716
Nuclear fuel-net	148,240	161,990
Interest receivable	2,792	3,357
Prepaid expenses and other current assets	191,326	200,925
Total current assets	2,754,702	3,155,271
Noncurrent assets		
Restricted cash and cash equivalents	12,352	205
Restricted investments	120,881	126,282
Capital assets		
Utility plant	7,209,887	7,134,706
Long lived assets-asset retirement cost	507,394	507,394
Accumulated depreciation	(3,555,499)	(3,476,246)
Total utility plant-net	4,161,782	4,165,854
Construction work in progress	3,677,124	3,337,353
Other physical property-net	5,801	5,914
Investment in associated companies	6,581	7,001
Unamortized debt expenses	37,337	39,249
Costs to be recovered from future revenue	237,713	240,923
Regulatory asset-asset retirement obligation	718,180	699,748
Other noncurrent and regulatory assets	217,782	215,987
Total noncurrent assets	9,195,533	8,838,516
Total assets	\$ 11,950,235	\$ 11,993,787
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow - pension	\$ 31,430	\$ 31,430
Accumulated decrease in fair value of hedging derivatives	58,818	\$ 91,372
Unamortized loss on refunded and defeased debt	178,929	\$ 133,932
Total deferred outflows of resources	\$ 269,177	\$ 256,734
Total assets & deferred outflows of resources	\$ 12,219,412	\$ 12,250,521

Combined Statements of Net Position (continued)

South Carolina Public Service Authority
As of June 30, 2016 and December 31, 2015

	June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
	(Thousands)	
LIABILITIES		
Current liabilities		
Current portion of long-term debt	\$ 136,985	\$ 172,896
Accrued interest on long-term debt	55,881	67,378
Commercial paper	653,688	597,520
Accounts payable	278,212	362,755
Other current liabilities	84,024	99,042
Total current liabilities	1,208,790	1,299,591
Noncurrent liabilities		
Construction liabilities	7,636	6,643
Net Pension Liability	288,914	286,300
Asset retirement obligation liability	1,045,926	1,046,054
Total long-term debt (net of current portion)	6,949,144	6,961,336
Unamortized debt discounts and premiums	404,095	345,133
Long-term debt-net	7,353,239	7,306,469
Other credits and noncurrent liabilities	114,449	130,192
Total noncurrent liabilities	8,810,164	8,775,658
Total liabilities	\$ 10,018,954	\$ 10,075,249
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension	\$ 17,424	\$ 17,424
Accumulated increase in fair value of hedging derivatives	7,596	4,701
Nuclear decommissioning costs	225,692	211,357
Total deferred inflows of resources	\$ 250,712	\$ 233,482
NET POSITION		
Net invested in capital assets	\$ 1,164,299	\$ 1,195,402
Restricted for debt service	62,008	79,771
Restricted for capital projects	4,304	4,304
Unrestricted	719,135	662,313
Total net position	\$ 1,949,746	\$ 1,941,790
Total liabilities, deferred inflows of resources & net position	\$ 12,219,412	\$ 12,250,521

Combined Statements of Revenues, Expenses and Changes in Net Position

South Carolina Public Service Authority

Periods Ended June 30, 2016 and 2015

	June 30, 2016 (Unaudited)	June 30, 2015 (Unaudited)
	(Thousands)	
Operating revenues		
Sale of electricity	\$ 815,330	\$ 933,512
Sale of water	3,988	3,999
Other operating revenue	7,797	7,571
Total operating revenues	827,115	945,082
Operating expenses		
Electric operating expenses		
Production	61,623	57,560
Fuel	301,721	372,031
Purchased and interchanged power	71,486	98,644
Transmission	10,922	12,545
Distribution	5,133	5,284
Customer accounts	7,659	6,969
Sales	(276)	3,986
Administrative and general	44,701	42,652
Electric maintenance expenses	63,186	72,215
Water operating expenses	1,357	1,294
Water maintenance expenses	534	416
Total operating and maintenance expenses	568,046	673,596
Depreciation	88,315	87,895
Sums in lieu of taxes	2,424	2,559
Total operating expenses	658,785	764,050
Operating income	168,330	181,032
Nonoperating revenues (expenses)		
Interest and investment revenue	5,451	4,022
Net decrease in the fair value of investments	3,158	(162)
Interest expense on long-term debt	(140,806)	(140,023)
Interest expense on commercial paper and other	(1,841)	(1,492)
Amortization expense	7,197	2,678
Costs to be recovered from future revenue	(3,210)	12,384
U.S. Treasury subsidy on Build America Bonds	3,790	3,769
Other-net	(23,674)	(24,630)
Total nonoperating revenues (expenses)	(149,935)	(143,454)
Income before transfers	18,395	37,578
Capital contributions & transfers		
Distribution to the State	(10,439)	(9,678)
Total capital contributions & transfers	(10,439)	(9,678)
Change in net position	7,956	27,900
Total net position-beginning	1,941,790	2,168,463
Total net position-ending	\$ 1,949,746	\$ 2,196,363

Combined Statements of Cash Flows

South Carolina Public Service Authority

Periods Ended June 30, 2016 and December 31, 2015

	June 30, 2016 (Unaudited)	December 31, 2015 (Audited)
	(Thousands)	
Cash flows from operating activities		
Receipts from customers	\$ 775,333	\$ 1,890,839
Payments to non-fuel suppliers	(182,289)	(787,254)
Payments for fuel	(297,886)	(703,519)
Purchased power	(71,486)	(193,646)
Payments to employees	(87,690)	(175,633)
Other receipts-net	74,228	206,834
Net cash provided by operating activities	210,210	237,621
Cash flows from non-capital related financing activities		
Distribution to the State	(10,439)	(20,116)
Proceeds from sale of bonds	78,011	13,150
Proceeds from issuance of commercial paper notes	70,419	180,885
Repayment of commercial paper notes	(6,900)	(13,986)
Refunding / defeasance of long-term debt	(80,555)	(14,065)
Repayment of long-term debt	(160)	(119)
Interest paid on long-term debt	(5,219)	(8,383)
Interest paid on commercial paper and other	(3,020)	(4,321)
Bond issuance and other related costs	2,726	694
Net cash provided by non-capital related financing activities	44,863	133,739
Cash flows from capital-related financing activities		
Proceeds from sale of bonds	507,877	1,426,644
Proceeds from issuance of commercial paper notes	21,276	65,201
Repayment of commercial paper notes	(28,627)	(44,719)
Refunding / defeasance of long-term debt	(482,395)	(659,490)
Repayment of long-term debt	(72,294)	(139,132)
Interest paid on long-term debt	(179,235)	(338,020)
Interest paid on commercial paper and other	(681)	(905)
Construction and betterments of utility plant	(462,306)	(587,228)
Bond issuance and other related costs	17,101	100,264
Other-net	1,088	(31,879)
Net cash used in capital-related financing activities	(678,196)	(209,264)
Cash flows from investing activities		
Net decrease (increase) in investments	395,981	(348,516)
Interest on investments	6,017	7,637
Net cash provided by/(used in) investing activities	401,998	(340,879)
Net (decrease) in cash and cash equivalents	(21,125)	(178,783)
Cash and cash equivalents-beginning	282,548	461,331
Cash and cash equivalents-ending	\$ 261,423	\$ 282,548

Combined Statements of Cash Flows (continued)

South Carolina Public Service Authority

Periods Ended June 30, 2016 and December 31, 2015

	June 30,	December 31,
	2016	2015
	(Unaudited)	(Audited)
	(Thousands)	
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 168,330	\$ 377,065
<i>Adjustments to reconcile operating income to net cash provided by operating activities</i>		
Depreciation	88,315	176,039
Amortization of nuclear fuel	13,976	22,832
Net power gains involving associated companies	(18,480)	(47,366)
Distributions from associated companies	16,781	44,864
Advances to associated companies	0	162
Other income and expenses	(16,866)	(37,049)
Changes in assets and liabilities		
Accounts receivable-net	(51,579)	11,393
Inventories	7,540	(186,692)
Prepaid expenses	29,660	32,845
Other deferred debits	7,617	(48,474)
Accounts payable	(9,565)	(140,604)
Other current liabilities	(14,246)	(31,070)
Other noncurrent liabilities	(11,273)	63,676
Net cash provided by operating activities	\$ 210,210	\$ 237,621
Composition of cash and cash equivalents		
Current		
Unrestricted cash and cash equivalents	\$ 145,574	\$ 113,413
Restricted cash and cash equivalents	103,497	168,930
Noncurrent		
Restricted cash and cash equivalents	12,352	205
Cash and cash equivalents at the end of the period	\$ 261,423	\$ 282,548