

Combined Statements of Net Position

South Carolina Public Service Authority

As of March 31, 2016 and December 31, 2015

	March 31, 2016	December 31, 2015
	(Unaudited)	(Audited)
	(Thousands)	
ASSETS		
Current assets		
Unrestricted cash and cash equivalents	\$ 142,480	\$ 113,413
Unrestricted investments	457,190	531,120
Restricted cash and cash equivalents	80,263	168,930
Restricted investments	1,036,844	1,165,630
Receivables, net of allowance for doubtful accounts of \$1,868 and \$1,662 at March 31, 2016 and December 31, 2015, respectively	174,137	175,931
Materials inventory	127,933	126,259
Fuel inventory		
Fossil fuels	509,965	507,716
Nuclear fuel-net	155,012	161,990
Interest receivable	3,863	3,357
Prepaid expenses and other current assets	197,038	200,925
Total current assets	2,884,725	3,155,271
Noncurrent assets		
Restricted cash and cash equivalents	6,767	205
Restricted investments	123,776	126,282
Capital assets		
Utility plant	7,170,491	7,134,706
Long lived assets-asset retirement cost	507,394	507,394
Accumulated depreciation	(3,518,792)	(3,476,246)
Total utility plant-net	4,159,093	4,165,854
Construction work in progress	3,475,003	3,337,353
Other physical property-net	5,858	5,914
Investment in associated companies	6,588	7,001
Unamortized debt expenses	37,981	39,249
Costs to be recovered from future revenue	239,232	240,923
Regulatory asset-asset retirement obligation	708,969	699,748
Other noncurrent and regulatory assets	211,745	215,987
Total noncurrent assets	8,975,012	8,838,516
Total assets	\$ 11,859,737	\$ 11,993,787
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflow - Pension	\$ 31,430	\$ 31,430
Accumulated decrease in fair value of hedging derivatives	90,913	91,372
Unamortized loss on refunded and defeased debt	183,907	133,932
Total deferred outflows of resources	\$ 306,250	\$ 256,734
Total assets & deferred outflows of resources	\$ 12,165,987	\$ 12,250,521

Combined Statements of Net Position (continued)

South Carolina Public Service Authority

As of March 31, 2016 and December 31, 2015

	March 31,	December 31,
	2016	2015
	(Unaudited)	(Audited)
	(Thousands)	
LIABILITIES		
Current liabilities		
Current portion of long-term debt	\$ 134,878	\$ 172,896
Accrued interest on long-term debt	106,006	67,378
Commercial paper	587,698	597,520
Accounts payable	260,199	362,755
Other current liabilities	97,598	99,042
Total current liabilities	1,186,379	1,299,591
Noncurrent liabilities		
Construction liabilities	6,270	6,643
Net Pension Liability	287,587	286,300
Asset retirement obligation liability	1,045,990	1,046,054
Total long-term debt (net of current portion)	6,908,763	6,961,336
Unamortized debt discounts and premiums	413,347	345,133
Long-term debt-net	7,322,110	7,306,469
Other credits and noncurrent liabilities	124,390	130,192
Total noncurrent liabilities	8,786,347	8,775,658
Total liabilities	\$ 9,972,726	\$ 10,075,249
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Pension	\$ 17,424	\$ 17,424
Accumulated increase in fair value of hedging derivatives	8,355	4,701
Nuclear decommissioning costs	219,852	211,357
Total deferred inflows of resources	\$ 245,631	\$ 233,482
NET POSITION		
Net invested in capital assets	\$ 1,203,926	\$ 1,195,402
Restricted for debt service	15,842	79,771
Restricted for capital projects	3,689	4,304
Unrestricted	724,173	662,313
Total net position	\$ 1,947,630	\$ 1,941,790
Total liabilities, deferred inflows of resources & net position	\$ 12,165,987	\$ 12,250,521

Combined Statements of Revenues, Expenses and Changes in Net Position

South Carolina Public Service Authority

Periods Ended March 31, 2016 and 2015

	March 31, 2016 (Unaudited)	March 31, 2015 (Unaudited)
	(Thousands)	
Operating revenues		
Sale of electricity	\$ 409,796	\$ 505,502
Sale of water	1,923	2,027
Other operating revenue	3,846	4,338
Total operating revenues	415,565	511,867
Operating expenses		
Electric operating expenses		
Production	30,934	28,684
Fuel	147,251	194,279
Purchased and interchanged power	38,591	49,887
Transmission	5,491	6,417
Distribution	2,620	2,800
Customer accounts	3,653	3,351
Sales	3,568	2,841
Administrative and general	22,994	21,026
Electric maintenance expenses	24,695	33,928
Water operating expenses	599	577
Water maintenance expenses	186	238
Total operating and maintenance expenses	280,582	344,028
Depreciation	44,075	44,086
Sums in lieu of taxes	1,282	1,180
Total operating expenses	325,939	389,294
Operating income	89,626	122,573
Nonoperating revenues (expenses)		
Interest and investment revenue	2,878	1,573
Net decrease in the fair value of investments	2,846	459
Interest expense on long-term debt	(70,393)	(68,573)
Interest expense on commercial paper and other	(836)	(747)
Amortization expense	3,531	1,045
Costs to be recovered from future revenue	(1,691)	6,494
U.S. Treasury subsidy on Build America Bonds	1,895	1,885
Other-net	(11,577)	(4,476)
Total nonoperating revenues (expenses)	(73,347)	(62,340)
Income before transfers	16,279	60,233
Capital contributions & transfers		
Distribution to the State	(10,439)	(9,678)
Total capital contributions & transfers	(10,439)	(9,678)
Change in net position	5,840	50,555
Total net position-beginning	1,941,790	2,168,463
Total net position-ending	\$ 1,947,630	\$ 2,219,018

Combined Statements of Cash Flows

South Carolina Public Service Authority

Periods Ended March 31, 2016 and December 31, 2015

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
	(Thousands)	
Cash flows from operating activities		
Receipts from customers	\$ 417,153	\$ 1,890,839
Payments to non-fuel suppliers	(134,461)	(787,254)
Payments for fuel	(145,533)	(703,519)
Purchased power	(38,591)	(193,646)
Payments to employees	(41,511)	(175,633)
Other receipts-net	41,280	206,834
Net cash provided by operating activities	98,337	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	20,204	180,885
Repayment of commercial paper notes	(4,300)	(13,986)
Refunding / defeasance of long-term debt	(80,555)	(14,065)
Repayment of long-term debt	(105)	(119)
Interest paid on long-term debt	(2,482)	(8,383)
Interest paid on commercial paper and other	(1,427)	(4,321)
Bond issuance and other related costs	2,727	694
Net cash provided by non-capital related financing activities	1,634	133,739
Cash flows from capital-related financing activities		
Proceeds from sale of bonds	465,734	1,426,644
Proceeds from issuance of commercial paper notes	2,901	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	(71,961)	(139,132)
Interest paid on long-term debt	(43,806)	(338,020)
Interest paid on commercial paper and other	(273)	(905)
Construction and betterments of utility plant	(222,616)	(587,228)
Bond issuance and other related costs	17,101	100,264
Other-net	493	(31,879)
Net cash used in capital-related financing activities	(363,449)	(209,264)
Cash flows from investing activities		
Net decrease (increase) in investments	208,068	(348,516)
Interest on investments	2,372	7,637
Net cash provided by/(used in) investing activities	210,440	(340,879)
Net (decrease) in cash and cash equivalents	(53,038)	(178,783)
Cash and cash equivalents-beginning	282,548	461,331
Cash and cash equivalents-ending	\$ 229,510	\$ 282,548

Combined Statements of Cash Flows (continued)

South Carolina Public Service Authority

Periods Ended March 31, 2016 and December 31, 2015

	March 31, 2016 (Unaudited)	December 31, 2015 (Audited)
	(Thousands)	
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 89,626	\$ 377,065
<i>Adjustments to reconcile operating income to net cash provided by operating activities</i>		
Depreciation	44,075	176,039
Amortization of nuclear fuel	6,979	22,832
Net power gains involving associated companies	(9,497)	(47,366)
Distributions from associated companies	8,901	44,864
Advances to associated companies	0	162
Other income and expenses	(8,073)	(37,049)
Changes in assets and liabilities		
Accounts receivable-net	1,794	11,393
Inventories	(3,923)	(186,692)
Prepaid expenses	2,928	32,845
Other deferred debits	9,086	(48,474)
Accounts payable	(41,072)	(140,604)
Other current liabilities	1,642	(31,070)
Other noncurrent liabilities	(4,129)	63,676
Net cash provided by operating activities	\$ 98,337	\$ 237,621
Composition of cash and cash equivalents		
Current		
Unrestricted cash and cash equivalents	\$ 142,480	\$ 113,413
Restricted cash and cash equivalents	80,263	168,930
Noncurrent		
Restricted cash and cash equivalents	6,767	205
Cash and cash equivalents at the end of the period	\$ 229,510	\$ 282,548