

**Combined Statements of Net Position**

South Carolina Public Service Authority

As of June 30, 2017 and December 31, 2016

	<b>June 30, 2017</b>	December 31, 2016
	(Unaudited)	(Audited)
	(Thousands)	
<b>ASSETS</b>		
<b>Current assets</b>		
Unrestricted cash and cash equivalents	\$ 170,783	\$ 90,873
Unrestricted investments	531,989	725,865
Restricted cash and cash equivalents	56,220	87,524
Restricted investments	454,385	792,490
Receivables, net of allowance for doubtful accounts of \$2,193 and \$2,179 at June 30, 2017 and December 31, 2016, respectively	221,252	198,532
Materials inventory	134,535	131,678
Fuel inventory		
Fossil fuels	379,948	419,332
Nuclear fuel-net	159,017	164,960
Interest receivable	2,610	3,425
Prepaid expenses and other current assets	156,790	164,487
<b>Total current assets</b>	<b>2,267,529</b>	<b>2,779,166</b>
<b>Noncurrent assets</b>		
Restricted cash and cash equivalents	4,674	251
Restricted investments	129,117	130,925
<b>Capital assets</b>		
Utility plant	7,418,640	7,271,505
Long lived assets-asset retirement cost	265,116	265,116
Accumulated depreciation	(3,699,758)	(3,620,430)
Total utility plant-net	3,983,998	3,916,191
Construction work in progress	4,647,385	4,292,907
Other physical property-net	5,578	5,689
Investment in associated companies	6,274	6,569
Unamortized debt expenses	40,241	40,302
Costs to be recovered from future revenue	231,992	234,215
Regulatory asset-asset retirement obligation	684,432	672,036
Other noncurrent and regulatory assets	174,105	159,978
<b>Total noncurrent assets</b>	<b>9,907,796</b>	<b>9,459,063</b>
<b>Total assets</b>	<b>\$ 12,175,325</b>	<b>\$ 12,238,229</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflow - pension	\$ 51,616	\$ 51,616
Accumulated decrease in fair value of hedging derivatives	41,268	39,630
Unamortized loss on refunded and defeased debt	171,067	180,349
<b>Total deferred outflows of resources</b>	<b>\$ 263,951</b>	<b>\$ 271,595</b>
<b>Total assets &amp; deferred outflows of resources</b>	<b>\$ 12,439,276</b>	<b>\$ 12,509,824</b>

**Combined Statements of Net Position (continued)**

South Carolina Public Service Authority

As of June 30, 2017 and December 31, 2016

	<b>June 30,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	(Thousands)	
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 132,214	\$ 134,055
Accrued interest on long-term debt	53,122	54,418
Revolving credit agreement	100,000	0
Commercial paper	308,302	399,899
Accounts payable	190,560	233,645
Other current liabilities	77,826	94,550
<b>Total current liabilities</b>	<b>862,024</b>	<b>916,567</b>
<b>Noncurrent liabilities</b>		
Construction liabilities	11,296	11,059
Net Pension Liability	327,831	324,956
Asset retirement obligation liability	736,292	739,821
Total long-term debt (net of current portion)	7,630,014	7,661,497
Unamortized debt discounts and premiums	454,756	473,419
Long-term debt-net	8,084,770	8,134,916
Other credits and noncurrent liabilities	110,590	110,099
<b>Total noncurrent liabilities</b>	<b>9,270,779</b>	<b>9,320,851</b>
<b>Total liabilities</b>	<b>\$ 10,132,803</b>	<b>\$ 10,237,418</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows - pension	\$ 13,582	\$ 13,582
Accumulated increase in fair value of hedging derivatives	2,927	9,991
Nuclear decommissioning costs	223,390	218,497
<b>Total deferred inflows of resources</b>	<b>\$ 239,899</b>	<b>\$ 242,070</b>
<b>NET POSITION</b>		
Net invested in capital assets	\$ 1,255,039	\$ 1,168,907
Restricted for debt service	63,815	39,158
Restricted for capital projects	1,922	1,663
Unrestricted	745,798	820,608
<b>Total net position</b>	<b>\$ 2,066,574</b>	<b>\$ 2,030,336</b>
<b>Total liabilities, deferred inflows of resources &amp; net position</b>	<b>\$ 12,439,276</b>	<b>\$ 12,509,824</b>

## *Combined Statements of Revenues, Expenses and Changes in Net Position*

South Carolina Public Service Authority

Periods Ended June 30, 2017 and 2016

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)
	(Thousands)	
<b>Operating revenues</b>		
Sale of electricity	\$ 827,630	\$ 815,330
Sale of water	4,362	3,988
Other operating revenue	8,193	7,797
<b>Total operating revenues</b>	<b>840,185</b>	<b>827,115</b>
<b>Operating expenses</b>		
Electric operating expenses		
Production	63,036	61,623
Fuel	270,762	301,721
Purchased and interchanged power	88,559	71,486
Transmission	11,532	10,922
Distribution	5,143	5,133
Customer accounts	7,731	7,659
Sales	10,364	(276)
Administrative and general	49,382	44,701
Electric maintenance expenses	56,746	63,186
Water operating expenses	1,489	1,357
Water maintenance expenses	435	534
<b>Total operating and maintenance expenses</b>	<b>565,179</b>	<b>568,046</b>
Depreciation	89,169	88,315
Sums in lieu of taxes	2,159	2,424
<b>Total operating expenses</b>	<b>656,507</b>	<b>658,785</b>
<b>Operating income</b>	<b>183,678</b>	<b>168,330</b>
<b>Nonoperating revenues (expenses)</b>		
Interest and investment revenue	6,452	5,451
Net decrease in the fair value of investments	(997)	3,158
Interest expense on long-term debt	(128,354)	(140,806)
Interest expense on commercial paper and other	(2,272)	(1,841)
Amortization expense	8,111	7,197
Costs to be recovered from future revenue	(2,223)	(3,210)
U.S. Treasury subsidy on Build America Bonds	3,785	3,790
Other-net	(22,659)	(23,674)
<b>Total nonoperating revenues (expenses)</b>	<b>(138,157)</b>	<b>(149,935)</b>
<b>Income before transfers</b>	<b>45,521</b>	<b>18,395</b>
<b>Capital contributions &amp; transfers</b>		
Distribution to the State	(9,283)	(10,439)
<b>Total capital contributions &amp; transfers</b>	<b>(9,283)</b>	<b>(10,439)</b>
<b>Change in net position</b>	<b>36,238</b>	<b>7,956</b>
<b>Total net position-beginning</b>	<b>2,030,336</b>	<b>1,941,790</b>
<b>Total net position-ending</b>	<b>\$ 2,066,574</b>	<b>\$ 1,949,746</b>

### Combined Statements of Cash Flows

South Carolina Public Service Authority

Periods Ended June 30, 2017 and December 31, 2016

	June 30, 2017 (Unaudited)	December 31, 2016 (Audited)
	(Thousands)	
<b>Cash flows from operating activities</b>		
Receipts from customers	\$ 817,451	\$ 1,722,539
Payments to non-fuel suppliers	(176,990)	(380,450)
Payments for fuel	(268,021)	(624,554)
Purchased power	(87,617)	(143,566)
Payments to employees	(93,983)	(185,588)
Other receipts-net	67,287	325,296
<b>Net cash provided by operating activities</b>	<b>258,127</b>	<b>713,677</b>
<b>Cash flows from non-capital related financing activities</b>		
Distribution to the State	(9,283)	(19,192)
Proceeds from sale of bonds	0	78,011
Proceeds from revolving credit agreement draw	100,000	100,000
Proceeds from issuance of commercial paper notes	26,250	78,115
Repayment of commercial paper notes	(125,396)	(238,607)
Refunding / defeasance of long-term debt	0	(80,555)
Repayment of long-term debt	(172)	(260)
Interest paid on long-term debt	(4,903)	(9,433)
Interest paid on commercial paper and other	(2,530)	(6,204)
Bond issuance and other related costs	(184)	2,726
<b>Net cash used in non-capital related financing activities</b>	<b>(16,218)</b>	<b>(95,399)</b>
<b>Cash flows from capital-related financing activities</b>		
Proceeds from sale of bonds	0	1,391,631
Proceeds from issuance of commercial paper notes	7,549	58,974
Repayment of commercial paper notes	0	(96,103)
Refunding / defeasance of long-term debt	0	(670,925)
Repayment of long-term debt	(34,714)	(159,529)
Interest paid on long-term debt	(182,494)	(362,102)
Interest paid on commercial paper and other	(1,129)	(1,336)
Construction and betterments of utility plant	(514,713)	(1,126,306)
Bond issuance and other related costs	(1,084)	87,450
Other-net	(2,357)	(28,981)
<b>Net cash used in capital-related financing activities</b>	<b>(728,942)</b>	<b>(907,227)</b>
<b>Cash flows from investing activities</b>		
Net decrease in investments	532,792	172,117
Interest on investments	7,270	12,932
<b>Net cash provided by investing activities</b>	<b>540,062</b>	<b>185,049</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>53,029</b>	<b>(103,900)</b>
<b>Cash and cash equivalents-beginning</b>	<b>178,648</b>	<b>282,548</b>
<b>Cash and cash equivalents-ending</b>	<b>\$ 231,677</b>	<b>\$ 178,648</b>

***Combined Statements of Cash Flows (continued)***

South Carolina Public Service Authority

Periods Ended June 30, 2017 and December 31, 2016

	June 30, 2017 (Unaudited)	December 31, 2016 (Audited)
	(Thousands)	
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 183,678	\$ 370,715
<i>Adjustments to reconcile operating income to net cash provided by operating activities</i>		
Depreciation	89,169	177,004
Amortization of nuclear fuel	9,398	28,125
Net power gains involving associated companies	(19,654)	(35,616)
Distributions from associated companies	17,437	31,749
Advances to associated companies	11	(36)
Other income and expenses	(14,658)	(31,901)
Changes in assets and liabilities		
Accounts receivable-net	(22,720)	(22,601)
Inventories	36,527	82,965
Prepaid expenses	5,437	65,874
Other deferred debits	(14,746)	41,139
Accounts payable	8,906	(8,943)
Other current liabilities	(21,412)	(1,881)
Other noncurrent liabilities	754	17,084
<b>Net cash provided by operating activities</b>	<b>\$ 258,127</b>	<b>\$ 713,677</b>
<b>Composition of cash and cash equivalents</b>		
<b>Current</b>		
Unrestricted cash and cash equivalents	\$ 170,783	\$ 90,873
Restricted cash and cash equivalents	56,220	87,524
<b>Noncurrent</b>		
Restricted cash and cash equivalents	4,674	251
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 231,677</b>	<b>\$ 178,648</b>