

## **EXECUTIVE SUMMARY**

### **First Quarter 2022 Compared to First Quarter 2021**

The financial results for the first quarter of 2022 showed a decrease in income before transfers of \$79.5 million as compared to the same period last year.

Operating revenue increased \$44.8 million over the same period in 2021 primarily due to higher energy sales (8%) and demand usage (11%) mainly from Industrial supplemental energy use and the Central Cost of Service adjustment made between the periods.

Operating expense for the first quarter of 2022 increased \$113.1 million over the same period in 2021 primarily from increased kWh sales, higher commodity prices for the generation mix utilized and increased use of higher cost purchased power due to coal stockpile management as well as higher costs in the energy markets due to elevated natural gas prices. Further increases were provided by non-fuel generation, largely from higher landfill closure, ammonia prices, limestone hauling, gypsum costs, as well as a true-up for the Summer nuclear R26 outage accrual. An increase in depreciation expense also contributed from new capital assets placed into service in the current year.

Interest expense decreased \$1.2 million over the prior year from impacts associated with the 2021 A Refunding in late 2021 and the 2022 A and B Refunding in February 2022.

Other revenues decreased \$11.2 million primarily from lower other income resulting from higher net amortization of the Toshiba regulatory liability over the nuclear regulatory asset amortization in prior year somewhat offset by higher nuclear equipment sales in the current year.

Costs to be recovered (CTBR) expense decreased \$1.2 million over the same period in 2021 from higher principal amortization in the current year.

**Combined Statements of Net Position**  
As of March 31, 2022 and December 31, 2021  
Millions of Dollars  
*Unaudited*

	March 31, 2022	December 31, 2021
<b>Current assets</b>		
Unrestricted funds	\$640.0	\$603.1
Restricted funds	277.9	219.0
Fuel inventory	157.8	159.8
Other current assets	521.2	418.6
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<b>Total current assets</b>	1,596.9	1,400.5
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<b>Noncurrent assets</b>		
Total utility plant - net	4,933.4	4,976.7
Cost to be recovered	222.7	223.0
Regulatory assets-OPEB	152.5	152.5
Regulatory assets-nuclear	3,666.4	3,697.7
Other noncurrent assets	433.9	390.3
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<b>Total noncurrent assets</b>	9,408.9	9,440.2
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Deferred outflows of resources	982.3	872.6
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<b>Total assets &amp; deferred outflows</b>	\$11,988.1	\$11,713.3
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<b>Current liabilities</b>		
Current debt and interest	\$340.3	\$270.2
Other current liabilities	445.6	401.7
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<b>Total current liabilities</b>	785.9	671.9
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<b>Noncurrent liabilities</b>		
Net Pension liability	294.8	294.5
Net OPEB liability	187.5	189.3
Asset retirement obligation liability	658.3	669.4
Long-term debt-net	7,048.3	6,961.6
Other noncurrent liabilities	87.4	87.7
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<b>Total noncurrent liabilities</b>	8,276.3	8,202.5
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Deferred inflows of resources	823.3	700.1
Total net position	2,102.6	2,138.8
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<b>Total liabilities &amp; deferred inflows</b>	\$11,988.1	\$11,713.3
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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>Jan 1 - Mar 31</i>		<i>Apr 1 - Mar 31</i>	
	<u>This Year</u>	<u>Last Year</u>	<u>This Year</u>	<u>Last Year</u>
Operating revenue	\$469.8	\$425.0	\$1,810.6	\$1,660.8
O&M expense	\$360.6	\$251.6	\$1,341.7	\$1,034.1
Depreciation & sums in lieu of taxes	\$68.1	\$64.0	\$267.7	\$250.5
Operating expense	428.7	315.6	1,609.4	1,284.6
Operating Income	\$41.1	\$109.4	\$201.2	\$376.2
Nonoperating revenues (expenses)				
Interest charges	(\$74.3)	(\$75.5)	(\$303.7)	(\$315.0)
Other revenues (expenses)	\$6.1	\$17.3	\$77.4	\$78.7
Costs to be recovered	(\$0.3)	\$0.9	\$1.9	(\$81.0)
Total nonoperating revenues (expenses)	(68.5)	(57.3)	(224.4)	(317.3)
Income before transfers	<b>(\$27.4)</b>	<b>\$52.1</b>	<b>(\$23.2)</b>	<b>\$58.9</b>