

CONSOLIDATED STATEMENTS OF CASH FLOWS (dollars in thousands)

Year Ended December 31,	2003	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	\$ 240,579	\$ 149,408	\$ 312,166
Adjustment to reconcile net income to net cash provided by operating activities:			
Gain on sale of discontinued operations	(10,003)	(8,955)	–
Cumulative effect of accounting change, net of tax	–	65,745	15,201
Depreciation and amortization	438,143	424,082	427,903
Nuclear fuel amortization	28,757	31,185	28,362
Allowance for equity funds used during construction	(14,240)	–	–
Deferred income taxes	81,756	191,135	(17,203)
Change in mark-to-market valuations	17,410	(18,146)	(133,573)
Redhawk Units 3 and 4 cancellation charge	–	49,192	–
Changes in current assets and liabilities:			
Customer and other receivables	(3,529)	40,343	146,581
Accrued utility revenues	5,875	(18,373)	(1,565)
Materials, supplies and fossil fuel	(4,629)	(11,599)	(16,867)
Other current assets	(6,646)	(7,247)	64
Accounts payable	(34,303)	54,592	(128,017)
Accrued taxes	(1,338)	(36,041)	7,483
Accrued interest	(1,193)	4,212	5,852
Other current liabilities	4,918	32,366	3,761
Proceeds from the sale of real estate assets	163,700	57,178	35,783
Real estate investments	(71,618)	(72,412)	(80,603)
Increase in regulatory assets	(11,697)	(11,029)	(17,516)
Change in risk management and trading – assets	46,911	(11,700)	(51,894)
Change in risk management and trading – liabilities	(11,613)	(22,783)	45,330
Change in customer advances	7,270	(23,780)	28,599
Change in pension liability	19,074	(3,009)	(30,205)
Change in other long-term assets	5,598	(23,554)	14,746
Change in other long-term liabilities	12,648	10,420	(23,345)
Net cash flow provided by operating activities	901,830	841,230	571,043
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	(693,475)	(895,522)	(1,055,574)
Capitalized interest	(29,444)	(43,749)	(47,862)
Proceeds from sale of assets from discontinued operations	27,193	28,917	–
Other	(21,040)	36,635	(16,481)
Net cash flow used for investing activities	(716,766)	(873,719)	(1,119,917)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of long-term debt	656,850	674,919	995,447
Short-term borrowings and payments – net	(173,303)	(306,079)	322,987
Dividends paid on common stock	(157,417)	(137,721)	(129,199)
Repayment of long-term debt	(368,162)	(351,545)	(621,057)
Common stock equity issuance	–	199,238	–
Other	8,181	2,624	(1,048)
Net cash flow (used for) provided by financing activities	(33,851)	81,436	567,130
NET INCREASE IN CASH AND CASH EQUIVALENTS	151,213	48,947	18,256
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	77,566	28,619	10,363
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 228,779	\$ 77,566	\$ 28,619
Supplemental disclosure of cash flow information			
Cash paid during the period for:			
Income taxes paid/(refunded)	\$ 32,816	\$ (17,918)	\$ 223,037
Interest paid, net of amounts capitalized	\$ 161,581	\$ 126,322	\$ 115,276

See Notes to Consolidated Financial Statements.