

CONSOLIDATED STATEMENTS OF INCOME (dollars and shares in thousands, except per share amounts)

Year Ended December 31,	2003	2002	2001
OPERATING REVENUES			
Regulated electricity segment	\$ 1,978,075	\$ 1,890,391	\$ 1,984,305
Marketing and trading segment	391,886	286,879	469,784
Real estate segment	361,604	201,081	168,908
Other revenues	86,287	61,937	11,771
Total	2,817,852	2,440,288	2,634,768
OPERATING EXPENSES			
Regulated electricity segment purchased power and fuel	517,320	376,911	583,080
Marketing and trading segment purchased power and fuel	344,862	154,987	152,762
Operations and maintenance	548,732	584,538	530,095
Real estate operations segment	305,974	185,925	153,462
Depreciation and amortization	438,143	424,082	427,903
Taxes other than income taxes	110,270	107,952	101,068
Other expenses	70,498	104,959	10,375
Total	2,335,799	1,939,354	1,958,745
OPERATING INCOME	482,053	500,934	676,023
OTHER			
Allowance for equity funds used during construction	14,240	-	-
Other income	35,563	14,910	26,416
Other expenses	(20,574)	(33,655)	(33,577)
Total	29,229	(18,745)	(7,161)
INTEREST EXPENSE			
Interest charges	204,590	187,512	175,822
Capitalized interest	(29,444)	(43,749)	(47,862)
Total	175,146	143,763	127,960
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	336,136	338,426	540,902
INCOME TAXES	105,560	132,228	213,535
INCOME FROM CONTINUING OPERATIONS	230,576	206,198	327,367
Income from discontinued operations – net of income taxes of \$6,529 and \$5,872	10,003	8,955	-
Cumulative effect of a change in accounting for derivatives – net of income taxes of \$9,892	-	-	(15,201)
Cumulative effect of a change in accounting for trading activities – net of income taxes of \$43,123	-	(65,745)	-
NET INCOME	\$ 240,579	\$ 149,408	\$ 312,166
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING – BASIC	91,265	84,903	84,718
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING – DILUTED	91,405	84,964	84,930
EARNINGS PER WEIGHTED-AVERAGE COMMON SHARE OUTSTANDING			
Income from continuing operations – basic	\$ 2.53	\$ 2.43	\$ 3.86
Net income – basic	2.64	1.76	3.68
Income from continuing operations – diluted	2.52	2.43	3.85
Net income – diluted	2.63	1.76	3.68
DIVIDENDS DECLARED PER SHARE	\$ 1.725	\$ 1.625	\$ 1.525

See Notes to Consolidated Financial Statements.