2004 Highlights

Financial (in millions)	2004	2003	% Change
Total operating revenues	$ 777.9	$ 739.0	5.3
Total operating expenses	710.0	700.1	1.4
Net operating income	67.9	38.9	74.6
Investment income	2.5	3.8	(34.2)
Interest expense, net	(76.3)	(77.0)	(0.9)
Other income, net	1.8	0.1	100+
Fees and grants	17.9	26.1	(31.4)
Net income (loss)	$ 13.8	$ (8.1)	(100+)
Debt service coverage, prior lien bonds	1.58	1.56	1.3
Debt service coverage, prior lien bonds [a]	2.39	2.50	(4.4)

[a] Debt Service Coverage computation, without the effect of $100.0 million annual amortization of $300.0 million power costs deferred in 2001, for informational purposes only.

Energy	2004	2003	% Change
Total generation	6,019,707 MWh	6,096,753 MWh	(1.3)
Firm energy load	9,560,928 MWh	9,530,016 MWh	0.3
Peak load (highest single hourly use)	1,799 MW (January 5, 2004)	1,646 MW (December 30, 2003)	9.3
Average number of residential customers	333,560	330,979	0.8
Annual average residential energy consumption (includes estimated unbilled revenue allocation)	8,852 kWh	8,921 kWh	(0.8)

2004 Operating Revenues (in millions = $777.9)

- 26% Residential $199.3
- 49% Non-Residential $379.7
- 21% Short-term Wholesale Power $163.3
- 4% Industrial $35.6

2004 Operating Expenses (in millions = $710.0)

- 32 % Long-term Power $229.4
- 14 % Amortization of Deferred Power Costs $100.0
- 8% Short-term Wholesale & Other Power $56.8
- 3% Generation $20.3
- 5% Transmission $36.3
- 6% Distribution $41.0
- 6% Customer Service & Conservation $44.9
- 7% Administrative & General $46.0
- 10% Depreciation $73.9
- 9% Taxes $61.4