

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Statements of Income (Loss)**  
(Unaudited)

| <b>Three Months Ended March 31</b>   | <b>2018</b>                          | <b>2017</b> |
|--|--------------------------------------|-------------|
| <b>Operating Revenues</b>  | (millions, except per share amounts) |             |
| Electric revenues  | \$ 583.9                             | \$ 570.7    |
| <b>Operating Expenses</b>  |                                      |             |
| Fuel and purchased power   | 154.3                                | 126.5       |
| Transmission   | 25.4                                 | 23.1        |
| Utility operating and maintenance expenses   | 180.2                                | 174.1       |
| Costs to achieve the anticipated merger with Westar Energy, Inc.                     | 2.9                                  | 39.4        |
| Depreciation and amortization  | 93.7                                 | 90.3        |
| General taxes  | 41.1                                 | 57.1        |
| Other  | -                                    | 1.1         |
| Total  | 497.6                                | 511.6       |
| Operating income   | 86.3                                 | 59.1        |
| <b>Other Income (Expense)</b>  |                                      |             |
| Non-operating income   | 14.5                                 | 6.6         |
| Non-operating expenses   | (13.2)                               | (15.4)      |
| Total  | 1.3                                  | (8.8)       |
| Interest charges   | (48.1)                               | (66.6)      |
| Income (loss) before income tax (expense) benefit and income from equity investments | 39.5                                 | (16.3)      |
| Income tax (expense) benefit   | (5.5)                                | 5.8         |
| Income from equity investments, net of income taxes                                  | 1.0                                  | 0.9         |
| Net income (loss)  | 35.0                                 | (9.6)       |
| Preferred stock dividend requirements  | -                                    | 15.1        |
| Earnings (loss) available for common shareholders                                    | \$ 35.0                              | \$ (24.7)   |
| Average number of basic common shares outstanding                                    | 215.7                                | 215.3       |
| Average number of diluted common shares outstanding                                  | 216.0                                | 215.3       |
| Basic and diluted earnings (loss) per common share                                   | \$ 0.16                              | \$ (0.11)   |
| Cash dividends per common share  | \$ 0.275                             | \$ 0.275    |

The Notes to the Unaudited Consolidated Financial Statements in the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2018, should be read in conjunction with this financial information.

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Balance Sheets**  
(Unaudited)

|  | <b>March 31</b>                  | <b>December 31</b> |
|--|----------------------------------|--------------------|
|  | <b>2018</b>                      | <b>2017</b>        |
| <b>ASSETS</b>  | (millions, except share amounts) |                    |
| <b>Current Assets</b>                                    |                                  |                    |
| Cash and cash equivalents                                | \$ 1,142.1                       | \$ 1,125.4         |
| Receivables, net   | 108.2                            | 151.7              |
| Accounts receivable pledged as collateral                | 180.0                            | 180.0              |
| Fuel inventories, at average cost                        | 105.0                            | 103.2              |
| Materials and supplies, at average cost                  | 172.3                            | 171.2              |
| Deferred refueling outage costs                          | 5.9                              | 6.8                |
| Interest rate derivative instruments                     | 98.4                             | 91.4               |
| Prepaid expenses and other assets                        | 37.7                             | 33.4               |
| Total  | 1,849.6                          | 1,863.1            |
| <b>Utility Plant, at Original Cost</b>                   |                                  |                    |
| Electric   | 13,733.1                         | 13,674.1           |
| Less - accumulated depreciation                          | 5,305.1                          | 5,224.0            |
| Net utility plant in service                             | 8,428.0                          | 8,450.1            |
| Construction work in progress                            | 494.4                            | 458.6              |
| Plant to be retired, net                                 | 142.0                            | 143.6              |
| Nuclear fuel, net of amortization of \$211.9 and \$204.2 | 65.7                             | 72.4               |
| Total  | 9,130.1                          | 9,124.7            |
| <b>Investments and Other Assets</b>                      |                                  |                    |
| Nuclear decommissioning trust fund                       | 255.3                            | 258.4              |
| Regulatory assets  | 901.7                            | 913.9              |
| Goodwill   | 169.0                            | 169.0              |
| Other  | 142.7                            | 128.8              |
| Total  | 1,468.7                          | 1,470.1            |
| Total  | \$ 12,448.4                      | \$ 12,457.9        |

The Notes to the Unaudited Consolidated Financial Statements in the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2018, should be read in conjunction with this financial information.

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Balance Sheets**  
(Unaudited)

|  | <b>March 31</b> | <b>December 31</b> |
|--|-----------------|--------------------|
|  | <b>2018</b>     | <b>2017</b>        |
| <b>LIABILITIES AND CAPITALIZATION</b>                          |                 |                    |
| (millions, except share amounts)                               |                 |                    |
| <b>Current Liabilities</b>                                     |                 |                    |
| Notes payable  | \$ 23.0         | \$ 11.0            |
| Collateralized note payable                                    | 180.0           | 180.0              |
| Commercial paper   | 523.8           | 376.8              |
| Current maturities of long-term debt                           | 1.1             | 351.1              |
| Accounts payable   | 186.0           | 340.0              |
| Accrued taxes  | 72.7            | 35.1               |
| Accrued interest   | 57.4            | 42.8               |
| Accrued compensation and benefits                              | 40.4            | 50.1               |
| Pension and post-retirement liability                          | 2.7             | 2.7                |
| Other  | 62.9            | 59.2               |
| Total  | 1,150.0         | 1,448.8            |
| <b>Deferred Credits and Other Liabilities</b>                  |                 |                    |
| Deferred income taxes  | 639.5           | 621.7              |
| Deferred tax credits   | 124.5           | 124.8              |
| Asset retirement obligations                                   | 257.5           | 262.5              |
| Pension and post-retirement liability                          | 532.4           | 535.0              |
| Regulatory liabilities   | 1,112.4         | 1,106.3            |
| Other  | 81.8            | 81.4               |
| Total  | 2,748.1         | 2,731.7            |
| <b>Capitalization</b>  |                 |                    |
| Great Plains Energy shareholders' equity                       |                 |                    |
| Common stock - 600,000,000 shares authorized without par value |                 |                    |
| 215,886,844 and 215,801,723 shares issued, stated value        | 4,232.1         | 4,233.1            |
| Retained earnings  | 713.6           | 737.9              |
| Treasury stock - 90,960 and 137,589 shares, at cost            | (2.7)           | (4.0)              |
| Accumulated other comprehensive loss                           | (1.2)           | (2.2)              |
| Total shareholders' equity                                     | 4,941.8         | 4,964.8            |
| Long-term debt   | 3,608.5         | 3,312.6            |
| Total  | 8,550.3         | 8,277.4            |
| <b>Commitments and Contingencies</b>                           |                 |                    |
| Total  | \$ 12,448.4     | \$ 12,457.9        |

The Notes to the Unaudited Consolidated Financial Statements in the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2018, should be read in conjunction with this financial information.

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

| <b>Three Months Ended March 31</b>  | <b>2018</b>       | <b>2017</b>       |
|---|-------------------|-------------------|
| <b>Cash Flows from Operating Activities</b>                                   |                   | (millions)        |
| Net income (loss)   | \$ 35.0           | \$ (9.6)          |
| Adjustments to reconcile income (loss) to net cash from operating activities: |                   |                   |
| Depreciation and amortization   | 93.7              | 90.3              |
| Amortization of:  |                   |                   |
| Nuclear fuel  | 7.7               | 8.0               |
| Other   | 8.7               | 24.9              |
| Deferred income taxes, net  | 5.8               | (5.6)             |
| Investment tax credit amortization  | (0.3)             | (0.4)             |
| Income from equity investments, net of income taxes                           | (1.0)             | (0.9)             |
| Fair value impacts of interest rate swaps                                     | (7.0)             | (12.1)            |
| Other operating activities  | (29.1)            | (7.0)             |
| Net cash from operating activities  | <u>113.5</u>      | <u>87.6</u>       |
| <b>Cash Flows from Investing Activities</b>                                   |                   |                   |
| Utility capital expenditures  | (119.7)           | (116.6)           |
| Allowance for borrowed funds used during construction                         | (2.4)             | (1.5)             |
| Purchases of nuclear decommissioning trust investments                        | (12.1)            | (5.9)             |
| Proceeds from nuclear decommissioning trust investments                       | 11.3              | 5.0               |
| Proceeds from time deposit  | -                 | 1,000.0           |
| Other investing activities  | (17.1)            | (12.5)            |
| Net cash from investing activities  | <u>(140.0)</u>    | <u>868.5</u>      |
| <b>Cash Flows from Financing Activities</b>                                   |                   |                   |
| Issuance of common stock  | -                 | 1.5               |
| Issuance of long-term debt  | 299.7             | 4,291.9           |
| Issuance fees   | (3.1)             | (31.2)            |
| Repayment of long-term debt   | (351.1)           | (1.1)             |
| Net change in short-term borrowings   | 159.0             | 119.9             |
| Net change in collateralized short-term borrowings                            | -                 | (0.2)             |
| Dividends paid  | (59.3)            | (74.3)            |
| Other financing activities  | (2.0)             | (3.4)             |
| Net cash from financing activities  | <u>43.2</u>       | <u>4,303.1</u>    |
| <b>Net Change in Cash and Cash Equivalents</b>                                | <b>16.7</b>       | <b>5,259.2</b>    |
| <b>Cash and Cash Equivalents at Beginning of Year</b>                         | <b>1,125.4</b>    | <b>1,293.1</b>    |
| <b>Cash and Cash Equivalents at End of Period</b>                             | <b>\$ 1,142.1</b> | <b>\$ 6,552.3</b> |

The Notes to the Unaudited Consolidated Financial Statements in the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2018, should be read in conjunction with this financial information.

**Great Plains Energy Incorporated**  
**Electric Utility Segment**  
(Unaudited)

**Electric Utility Results**

| <b>Three Months Ended March 31</b>                   | <b>2018</b> | <b>2017</b> |
|--|-------------|-------------|
|  | (millions)  |             |
| Operating revenues                                   | \$ 583.9    | \$ 570.7    |
| Fuel and purchased power                             | (154.3)     | (126.5)     |
| Transmission   | (25.4)      | (23.1)      |
| Other operating expenses                             | (220.7)     | (231.4)     |
| Costs to achieve the merger with Westar Energy, Inc. | (2.2)       | (11.7)      |
| Depreciation and amortization                        | (93.7)      | (90.3)      |
| Operating income                                     | 87.6        | 87.7        |
| Non-operating income and expenses                    | (8.9)       | (11.4)      |
| Interest charges                                     | (47.8)      | (50.1)      |
| Income tax expense                                   | (2.9)       | (10.1)      |
| Net income   | \$ 28.0     | \$ 16.1     |
| <b>Reconciliation of gross margin to revenue:</b>    |             |             |
| Operating revenues                                   | \$ 583.9    | \$ 570.7    |
| Fuel and purchased power                             | (154.3)     | (126.5)     |
| Transmission   | (25.4)      | (23.1)      |
| Gross margin <sup>(a)</sup>                          | \$ 404.2    | \$ 421.1    |

**Electric Utility Gross Margin**

| <b>Three Months Ended March 31</b> | <b>Revenues and Costs</b> |             | <b>%<br/>Change</b> | <b>MWhs Sold</b> |             | <b>%<br/>Change</b> |
|------------------------------------|---------------------------|-------------|---------------------|------------------|-------------|---------------------|
|                                    | <b>2018</b>               | <b>2017</b> |                     | <b>2018</b>      | <b>2017</b> |                     |
| Retail revenues                    | (millions)                |             |                     | (thousands)      |             |                     |
| Residential                        | \$ 243.0                  | \$ 221.9    | 10                  | 2,320            | 2,028       | 14                  |
| Commercial                         | 246.0                     | 244.5       | 1                   | 2,653            | 2,541       | 4                   |
| Industrial                         | 52.1                      | 52.8        | (1)                 | 725              | 739         | (2)                 |
| Other retail revenues              | 4.5                       | 4.6         | (3)                 | 26               | 27          | (2)                 |
| Total retail                       | 545.6                     | 523.8       | 4                   | 5,724            | 5,335       | 7                   |
| Wholesale revenues                 | 6.0                       | 23.7        | (75)                | 1,521            | 1,948       | (22)                |
| Other revenues                     | 32.3                      | 23.2        | 40                  | N/A              | N/A         | N/A                 |
| Operating revenues                 | 583.9                     | 570.7       | 2                   | 7,245            | 7,283       | (1)                 |
| Fuel and purchased power           | (154.3)                   | (126.5)     | 22                  |                  |             |                     |
| Transmission                       | (25.4)                    | (23.1)      | 10                  |                  |             |                     |
| Gross margin <sup>(a)</sup>        | \$ 404.2                  | \$ 421.1    | (4)                 |                  |             |                     |

<sup>(a)</sup> Gross margin is a financial measure that is not calculated in accordance with generally accepted accounting principles (GAAP). Gross margin, as used by Great Plains Energy, is defined as operating revenues less fuel and purchased power and transmission. The Company's expense for fuel and purchased power and certain transmission costs, offset by wholesale sales margin, is subject to recovery through cost adjustment mechanisms. As a result, operating revenues increase or decrease in relation to a significant portion of these expenses. Management believes that gross margin provides a meaningful basis for evaluating the Electric Utility segment's operations across periods because gross margin excludes the revenue effect of fluctuations in these expenses. Gross margin is used internally to measure performance against budget and in reports to management and the Board of Directors. The Company's definition of gross margin may differ from similar terms used by other companies.

**Electric Utility Generation**

| <b>Three Months Ended March 31</b> | <b>2018</b> | <b>2017</b> | <b>%<br/>Change</b> |
|------------------------------------|-------------|-------------|---------------------|
| Net MWhs Generated by Fuel Type    | (thousands) |             |                     |
| Coal                               | 3,464       | 3,928       | (12)                |
| Nuclear                            | 1,227       | 1,245       | (1)                 |
| Natural gas and oil                | 14          | 8           | N/M                 |
| Wind                               | 95          | 80          | 18                  |
| Total Generation                   | 4,800       | 5,261       | (9)                 |

**Electric Utility Customers at March 31, 2018**

|                        |         |
|------------------------|---------|
| Residential            | 767,200 |
| Commercial             | 100,700 |
| Industrial             | 2,100   |
| Other                  | 500     |
| Total retail customers | 870,500 |

**Electric Utility Statistics**

|  | <b>Three Months Ended<br/>March 31</b> |             |
|--|--|-------------|
|  | <b>2018</b>                            | <b>2017</b> |
| Average non-firm wholesale price per MWh   | \$ 18.54                               | \$ 17.19    |
| Average purchased power price per MWh      | \$ 26.16                               | \$ 21.51    |
| Purchased power MWhs                       | 2,728,534                              | 2,283,095   |
| Cooling degree days                        | -                                      | 6           |
| Heating degree days                        | 2,691                                  | 2,122       |
| Equivalent availability - coal plants      | 78 %                                   | 75 %        |
| Capacity factor - coal plants              | 46 %                                   | 49 %        |
| Equivalent availability - nuclear          | 99 %                                   | 100 %       |
| Capacity factor - nuclear                  | 100 %                                  | 100 %       |
| Equivalent availability - coal and nuclear | 81 %                                   | 79 %        |
| Capacity factor - coal and nuclear         | 53 %                                   | 56 %        |

**MEEIA Revenue**

| <b>Three Months Ended March 31</b> | <b>2018</b> | <b>2017</b> |
|------------------------------------|-------------|-------------|
|                                    | (millions)  |             |
| Program costs                      | \$ 15.6     | \$ 13.8     |
| Throughput disincentive            | 3.0         | 1.5         |
| Earnings opportunity               | 1.9         | 0.2         |
| Total MEEIA revenue                | \$ 20.5     | \$ 15.5     |

**Kansas City Power & Light Company**  
(Unaudited)

**KCP&L Results**

| Three Months Ended March 31                          | 2018       | 2017     |
|--|------------|----------|
|  | (millions) |          |
| Operating revenues                                   | \$ 397.1   | \$ 395.9 |
| Fuel and purchased power                             | (101.8)    | (78.9)   |
| Transmission   | (15.7)     | (14.3)   |
| Other operating expenses                             | (150.2)    | (164.5)  |
| Costs to achieve the merger with Westar Energy, Inc. | (1.5)      | (7.9)    |
| Depreciation and amortization                        | (66.9)     | (65.3)   |
| Operating income                                     | 61.0       | 65.0     |
| Non-operating income and expenses                    | (4.3)      | (6.4)    |
| Interest charges                                     | (33.0)     | (35.6)   |
| Income tax expense                                   | (3.5)      | (8.8)    |
| Net income   | \$ 20.2    | \$ 14.2  |
| <b>Reconciliation of gross margin to revenue:</b>    |            |          |
| Operating revenues                                   | \$ 397.1   | \$ 395.9 |
| Fuel and purchased power                             | (101.8)    | (78.9)   |
| Transmission   | (15.7)     | (14.3)   |
| Gross margin <sup>(a)</sup>                          | \$ 279.6   | \$ 302.7 |

**KCP&L Gross Margin**

| Three Months Ended March 31 | Revenues and Costs |          | %    | MWhs Sold   |       | %    |
|-----------------------------|--------------------|----------|------|-------------|-------|------|
|                             | 2018               | 2017     |      | Change      | 2018  |      |
| Retail revenues             | (millions)         |          |      | (thousands) |       |      |
| Residential                 | \$ 154.9           | \$ 141.5 | 9    | 1,346       | 1,190 | 13   |
| Commercial                  | 181.8              | 181.4    | -    | 1,859       | 1,784 | 4    |
| Industrial                  | 32.2               | 32.9     | (2)  | 410         | 421   | (3)  |
| Other retail revenues       | 2.7                | 2.7      | (2)  | 19          | 19    | 1    |
| Total retail                | 371.6              | 358.5    | 4    | 3,634       | 3,414 | 6    |
| Wholesale revenues          | 3.1                | 23.5     | (87) | 1,380       | 1,884 | (27) |
| Other revenues              | 22.4               | 13.9     | 60   | N/A         | N/A   | N/A  |
| Operating revenues          | 397.1              | 395.9    | -    | 5,014       | 5,298 | (5)  |
| Fuel and purchased power    | (101.8)            | (78.9)   | 29   |             |       |      |
| Transmission                | (15.7)             | (14.3)   | 9    |             |       |      |
| Gross margin <sup>(a)</sup> | \$ 279.6           | \$ 302.7 | (8)  |             |       |      |

<sup>(a)</sup> Gross margin is a financial measure that is not calculated in accordance with generally accepted accounting principles (GAAP). Gross margin, as used by Great Plains Energy, is defined as operating revenues less fuel and purchased power and transmission. KCP&L's expense for fuel and purchased power and certain transmission costs, offset by wholesale sales margin, is subject to recovery through cost adjustment mechanisms. As a result, operating revenues increase or decrease in relation to a significant portion of these expenses. Management believes that gross margin provides a meaningful basis for evaluating KCP&L's operations across periods because gross margin excludes the revenue effect of fluctuations in these expenses. Gross margin is used internally to measure performance against budget and in reports to management and the Board of Directors. The Company's definition of gross margin may differ from similar terms used by other companies.

**KCP&L Generation**

| Three Months Ended March 31     | 2018        | 2017  | %      |
|---------------------------------|-------------|-------|--------|
|                                 | (thousands) |       | Change |
| Net MWhs Generated by Fuel Type |             |       |        |
| Coal                            | 2,573       | 3,085 | (17)   |
| Nuclear                         | 1,227       | 1,245 | (1)    |
| Natural gas and oil             | 10          | 3     | N/M    |
| Wind                            | 94          | 80    | 18     |
| Total Generation                | 3,904       | 4,413 | (12)   |

**KCP&L Customers at March 31, 2018**

|                        |         |
|------------------------|---------|
| Residential            | 481,300 |
| Commercial             | 61,500  |
| Industrial             | 1,900   |
| Other                  | 100     |
| Total retail customers | 544,800 |

**KCP&L Statistics**

|  | Three Months Ended |           |
|--|--------------------|-----------|
|  | 2018               | 2017      |
| Average non-firm wholesale price per MWh | \$ 18.14           | \$ 17.18  |
| Average purchased power price per MWh    | \$ 26.55           | \$ 21.32  |
| Purchased power - MWh                    | 1,301,228          | 1,024,802 |
| Cooling degree days                      | -                  | 6         |
| Heating degree days                      | 2,691              | 2,122     |
| Equivalent availability - coal plants    | 79 %               | 79 %      |
| Capacity factor - coal plants            | 46 %               | 56 %      |
| Equivalent availability - nuclear        | 99 %               | 100 %     |
| Capacity factor - nuclear                | 100 %              | 100 %     |

**MEEIA Revenue**

| Three Months Ended March 31 | 2018       | 2017   |
|-----------------------------|------------|--------|
|                             | (millions) |        |
| Program costs               | \$ 6.8     | \$ 7.8 |
| Throughput disincentive     | 1.5        | 0.8    |
| Earnings opportunity        | 1.0        | -      |
| Total MEEIA revenue         | \$ 9.3     | \$ 8.6 |

**KCP&L Greater Missouri Operations Company (GMO)**  
**Utility Operations**  
(Unaudited)

**GMO Utility Results**

| Three Months Ended March 31                          | 2018       | 2017     |
|--|------------|----------|
|  | (millions) |          |
| Operating revenues                                   | \$ 186.8   | \$ 175.1 |
| Fuel and purchased power                             | (52.5)     | (47.9)   |
| Transmission   | (9.7)      | (8.8)    |
| Other operating expenses                             | (70.5)     | (66.9)   |
| Costs to achieve the merger with Westar Energy, Inc. | (0.7)      | (3.8)    |
| Depreciation and amortization                        | (26.8)     | (25.0)   |
| Operating income                                     | 26.6       | 22.7     |
| Non-operating income and expenses                    | (4.6)      | (5.0)    |
| Interest charges                                     | (14.8)     | (14.5)   |
| Income tax (expense) benefit                         | 2.3        | (1.3)    |
| Net income (loss)                                    | \$ 9.5     | \$ 1.9   |
| <b>Reconciliation of gross margin to revenue:</b>    |            |          |
| Operating revenues                                   | \$ 186.8   | \$ 175.1 |
| Fuel and purchased power                             | (52.5)     | (47.9)   |
| Transmission   | (9.7)      | (8.8)    |
| Gross margin <sup>(a)</sup>                          | \$ 124.6   | \$ 118.4 |

**GMO Utility Gross Margin**

| Three Months Ended March 31 | Revenues and Costs |          | %   | MWhs Sold   |       | %    |
|-----------------------------|--------------------|----------|-----|-------------|-------|------|
|                             | 2018               | 2017     |     | Change      | 2018  |      |
|                             | (millions)         |          |     | (thousands) |       |      |
| Retail revenues             |                    |          |     |             |       |      |
| Residential                 | \$ 88.1            | \$ 80.4  | 10  | 974         | 838   | 16   |
| Commercial                  | 64.2               | 63.1     | 2   | 794         | 757   | 5    |
| Industrial                  | 19.9               | 19.9     | -   | 315         | 318   | (1)  |
| Other retail revenues       | 1.8                | 1.9      | (5) | 7           | 8     | (10) |
| Total retail                | 174.0              | 165.3    | 5   | 2,090       | 1,921 | 9    |
| Wholesale revenues          | 2.9                | 0.6      | N/M | 142         | 64    | N/M  |
| Other revenues              | 9.9                | 9.2      | 10  | N/A         | N/A   | N/A  |
| Operating revenues          | 186.8              | 175.1    | 7   | 2,232       | 1,985 | 12   |
| Fuel and purchased power    | (52.5)             | (47.9)   | 9   |             |       |      |
| Transmission                | (9.7)              | (8.8)    | 11  |             |       |      |
| Gross margin <sup>(a)</sup> | \$ 124.6           | \$ 118.4 | 5   |             |       |      |

<sup>(a)</sup> Gross margin is a financial measure that is not calculated in accordance with generally accepted accounting principles (GAAP). Gross margin, as used by Great Plains Energy, is defined as operating revenues less fuel and purchased power and transmission. GMO's expense for fuel and purchased power and certain transmission costs, offset by wholesale sales margin, is subject to recovery through cost adjustment mechanisms. As a result, operating revenues increase or decrease in relation to a significant portion of these expenses. Management believes that gross margin provides a meaningful basis for evaluating GMO's operations across periods because gross margin excludes the revenue effect of fluctuations in these expenses. Gross margin is used internally to measure performance against budget and in reports to management and the Board of Directors. The Company's definition of gross margin may differ from similar terms used by other companies.

**GMO Generation**

| Three Months Ended March 31     | 2018        | 2017 | % |
|---------------------------------|-------------|------|---|
|                                 | (thousands) |      |   |
| Net MWhs Generated by Fuel Type |             |      |   |
| Coal                            | 892         | 843  | 6 |
| Natural gas and oil             | 4           | 5    | 6 |
| Total Generation                | 896         | 848  | 6 |

**GMO Utility Customers at March 31, 2018**

|                        |         |
|------------------------|---------|
| Residential            | 285,900 |
| Commercial             | 39,200  |
| Industrial             | 200     |
| Other                  | 400     |
| Total retail customers | 325,700 |

**GMO Utility Statistics**

|  | Three Months Ended |           |
|--|--------------------|-----------|
|  | 2018               | 2017      |
|  | March 31           |           |
| Average non-firm wholesale price per MWh | \$ 20.10           | \$ 17.53  |
| Average purchased power price per MWh    | \$ 25.40           | \$ 22.02  |
| Purchased power - MWh                    | 1,428,071          | 1,258,968 |
| Cooling degree days                      | -                  | 6         |
| Heating degree days                      | 2,691              | 2,122     |
| Equivalent availability - coal plants    | 77 %               | 67 %      |
| Capacity factor - coal plants            | 43 %               | 30 %      |

**MEEIA Revenue**

| Three Months Ended March 31 | 2018       | 2017   |
|-----------------------------|------------|--------|
|                             | (millions) |        |
| Program costs               | \$ 8.8     | \$ 6.0 |
| Throughput disincentive     | 1.5        | 0.7    |
| Earnings opportunity        | 0.9        | 0.2    |
| Total MEEIA revenue         | \$ 11.2    | \$ 6.9 |