

EDISON MISSION ENERGY  
Form 8-K/A  
March 06, 2002

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## SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

### FORM 8-K/A

#### CURRENT REPORT

#### AMENDMENT TO APPLICATION OR REPORT FILED PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) **December 21, 2001**

### EDISON MISSION ENERGY

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation  
or Organization)

**000-24890**  
(Commission File Number)

**95-4031807**  
(IRS Employer Identification No.)

**18101 Von Karman Avenue, Irvine, California 92612**  
(Address of Principal Executive Offices) (Zip code)

Registrant's telephone number, including area code **(949) 752-5588**

#### NOT APPLICABLE

(Former Name or Former Address, if Changed Since Last Report)

The undersigned Registrant hereby amends the following items, financial statement, exhibits or other portions of its Current Report on Form 8-K filed January 7, 2002, as set forth in the pages attached hereto:

Item 7. Financial Statements and Exhibits

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Items 1 through 6, and 8 through 9 are not included because they are not applicable.

#### Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

- (b) Pro Forma Financial Information.

Unaudited Pro Forma Consolidated Balance Sheet as of September 30, 2001.

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Unaudited Pro Forma Consolidated Statements of Income (Loss) for the nine months ended September 30, 2001 and the year ended December 31, 2000.

Notes to the Unaudited Pro Forma Consolidated Financial Statements.

(c)  
Exhibits. None.

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## UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma consolidated financial statements reflect the disposition of Ferrybridge and Fiddler's Ferry coal-fired electric generating plants in the United Kingdom to two wholly-owned subsidiaries of American Electric Power on December 21, 2001. In addition, the purchasers acquired other assets and assumed specific liabilities associated with the plants. The unaudited pro forma consolidated financial statements should be read in conjunction with the historical financial statements of Edison Mission Energy included in its Annual Report on Form 10-K for the year ended December 31, 2000 and Edison Mission Energy's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001.

The following unaudited pro forma consolidated financial statements have been prepared as if the disposition of the power plants had occurred on September 30, 2001, in the case of the pro forma consolidated balance sheet, and as of January 1, 2001 and 2000 for the consolidated pro forma income statements for the nine months ended September 30, 2001 and the year ended December 31, 2000, respectively. Edison Mission Energy will account for the disposition as discontinued operations in its Annual Report on Form 10-K for the year ended December 31, 2001 in accordance with Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets."

These unaudited pro forma financial statements should be read in conjunction with the notes thereto. The unaudited pro forma financial statements have been prepared based upon assumptions deemed appropriate by management. The results have been prepared for informational purposes only and do not represent the historical results of operations in accordance with generally accepted accounting principles as reflected in Edison Mission Energy's Annual Report on Form 10-K for the year ended December 31, 2000 and Edison Mission Energy's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001.

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### EDISON MISSION ENERGY AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET SEPTEMBER 30, 2001 (In thousands)

|                       | Edison Mission<br>Energy | Pro Forma<br>Adjustments    | Pro Forma<br>Consolidated |
|-----------------------|--------------------------|-----------------------------|---------------------------|
| <b>Assets</b>         |                          |                             |                           |
| <b>Current Assets</b> | \$ 1,804,205             | \$ (214,269) <sup>(A)</sup> | \$ 1,589,936              |
| <b>Investments</b>    |                          |                             |                           |
| Energy projects       | 1,787,144                |                             | 1,787,144                 |
| Oil and gas           | 28,734                   |                             | 28,734                    |

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|  | Edison Mission<br>Energy | Pro Forma<br>Adjustments      | Pro Forma<br>Consolidated |
|--|--------------------------|-------------------------------|---------------------------|
| Total investments                                      | 1,815,878                |                               | 1,815,878                 |
| <b>Net Property, Plant and Equipment</b>               | 8,607,448                | (834,210) <sup>(B)</sup>      | 7,773,238                 |
| <b>Other Assets</b>                                    | 1,151,906                | (27,977) <sup>(C)</sup>       | 1,123,929                 |
| <b>Total Assets</b>                                    | \$ 13,379,437            | \$ (1,076,456)                | \$ 12,302,981             |
| <b>Liabilities and Shareholder's Equity</b>            |                          |                               |                           |
| <b>Current Liabilities</b>                             | \$ 2,412,778             | \$ (1,021,488) <sup>(D)</sup> | \$ 1,391,290              |
| <b>Long-Term Obligations Net of Current Maturities</b> | 6,829,591                |                               | 6,829,591                 |
| <b>Long-Term Deferred Liabilities</b>                  | 1,858,319                | (31,803) <sup>(E)</sup>       | 1,826,516                 |
| <b>Total Liabilities</b>                               | 11,100,688               | (1,053,291)                   | 10,047,397                |
| <b>Minority Interest</b>                               | 356,720                  |                               | 356,720                   |
| <b>Preferred Securities of Subsidiaries</b>            | 243,663                  |                               | 243,663                   |
| <b>Total Shareholder's Equity (Deficit)</b>            | 1,678,366                | (23,165) <sup>(F)</sup>       | 1,655,201                 |
| <b>Total Liabilities and Shareholder's Equity</b>      | \$ 13,379,437            | \$ (1,076,456)                | \$ 12,302,981             |

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**EDISON MISSION ENERGY AND SUBSIDIARIES**  
**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME (LOSS)**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001**  
(In thousands)

|  | Edison Mission<br>Energy | Pro Forma<br>Adjustments  | Pro Forma<br>Consolidated |
|--|--------------------------|---------------------------|---------------------------|
| <b>Operating Revenues</b>  |                          |                           |                           |
| Electric revenues  | \$ 2,359,071             | \$ 382,266 <sup>(G)</sup> | \$ 1,976,805              |
| Equity in income from energy projects                            | 288,846                  |                           | 288,846                   |
| Equity in income from oil and gas investments                    | 42,878                   |                           | 42,878                    |
| Net gains (losses) from energy trading and price risk management | 29,311                   | (10,033) <sup>(G)</sup>   | 39,344                    |
| Operation and maintenance services                               | 38,225                   | 3,120 <sup>(G)</sup>      | 35,105                    |
| <b>Total operating revenues</b>                                  | 2,758,331                | 375,353                   | 2,382,978                 |
| <b>Operating Expenses</b>  |                          |                           |                           |
| Fuel   | 905,525                  | 203,726 <sup>(H)</sup>    | 701,799                   |
| Plant operations   | 700,168                  | 140,232 <sup>(H)</sup>    | 559,936                   |
| Operation and maintenance services                               | 20,627                   |                           | 20,627                    |
| Depreciation and amortization                                    | 276,063                  | 72,783 <sup>(I)</sup>     | 203,280                   |
| Long-term incentive compensation                                 | 2,718                    |                           | 2,718                     |
| Asset impairment charges   | 1,923,574                | 1,899,089 <sup>(J)</sup>  | 24,485                    |
| Administrative and general                                       | 119,024                  |                           | 119,024                   |

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|  | Edison Mission<br>Energy | Pro Forma<br>Adjustments | Pro Forma<br>Consolidated |
|--|--------------------------|--------------------------|---------------------------|
| Total operating expenses   | 3,947,699                | 2,315,830                | 1,631,869                 |
| Operating income (loss)  | (1,189,368)              | (1,940,477)              | 751,109                   |
| <b>Other Income (Expense)</b>  |                          |                          |                           |
| Interest and other income (expense)                                      | 82,755                   | 4,726 <sup>(K)</sup>     | 78,029                    |
| Interest expense   | (488,016)                | (67,595) <sup>(L)</sup>  | (420,421)                 |
| Dividends on preferred securities  | (17,421)                 |                          | (17,421)                  |
| Total other income (expense)   | (422,682)                | (62,869)                 | (359,813)                 |
| Income (loss) before income taxes  | (1,612,050)              | (2,003,346)              | 391,296                   |
| Provision (benefit) for income taxes                                     | (592,272)                | (769,455) <sup>(M)</sup> | 177,183                   |
| Minority interest  | (18,662)                 |                          | (18,662)                  |
| <b>Income (Loss) Before Accounting Change</b>                            | (1,038,440)              | (1,233,891)              | 195,451                   |
| Cumulative effect of change in accounting for derivatives,<br>net of tax | 20,897                   | 5,751 <sup>(N)</sup>     | 15,146                    |
| <b>Income (Loss) From Continuing Operations</b>                          | \$ (1,017,543)           | \$ (1,228,140)           | \$ 210,597                |

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**EDISON MISSION ENERGY AND SUBSIDIARIES**  
**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**  
(In thousands)

|  | Edison Mission<br>Energy | Pro Forma<br>Adjustments  | Pro Forma<br>Consolidated |
|--|--------------------------|---------------------------|---------------------------|
| <b>Operating Revenues</b>                                |                          |                           |                           |
| Electric revenues  | \$ 2,951,038             | \$ 689,730 <sup>(G)</sup> | \$ 2,261,308              |
| Equity in income from energy projects                    | 221,819                  |                           | 221,819                   |
| Equity in income from oil and gas investments            | 45,057                   |                           | 45,057                    |
| Net losses from energy trading and price risk management | (17,339)                 |                           | (17,339)                  |
| Operation and maintenance services                       | 40,459                   | 2,981 <sup>(G)</sup>      | 37,478                    |
| Total operating revenues                                 | 3,241,034                | 692,711                   | 2,548,323                 |
| <b>Operating Expenses</b>                                |                          |                           |                           |
| Fuel   | 1,081,817                | 272,798 <sup>(H)</sup>    | 809,019                   |
| Plant operations   | 813,198                  | 186,675 <sup>(H)</sup>    | 626,523                   |
| Operation and maintenance services                       | 28,135                   |                           | 28,135                    |
| Depreciation and amortization                            | 382,130                  | 100,156 <sup>(I)</sup>    | 281,974                   |
| Long-term incentive compensation                         | (55,952)                 |                           | (55,952)                  |

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|  | Edison Mission<br>Energy | Pro Forma<br>Adjustments | Pro Forma<br>Consolidated |
|--|--------------------------|--------------------------|---------------------------|
| Administrative and general   | 160,879                  |                          | 160,879                   |
| <b>Total operating expenses</b>  | <b>2,410,207</b>         | <b>559,629</b>           | <b>1,850,578</b>          |
| Operating income   | 830,827                  | 133,082                  | 697,745                   |
| <b>Other Income (Expense)</b>  |                          |                          |                           |
| Interest and other income (expense)  | 73,926                   | 17,530 <sup>(K)</sup>    | 56,396                    |
| Interest expense   | (689,397)                | (131,034) <sup>(L)</sup> | (558,363)                 |
| Dividends on preferred securities  | (32,075)                 |                          | (32,075)                  |
| <b>Total other income (expense)</b>  | <b>(647,546)</b>         | <b>(113,504)</b>         | <b>(534,042)</b>          |
| Income before income taxes   | 183,281                  | 19,578                   | 163,703                   |
| Provision (benefit) for income taxes   | 72,536                   | (8,748) <sup>(M)</sup>   | 81,284                    |
| Minority interest  | (3,183)                  |                          | (3,183)                   |
| <b>Income Before Accounting Change</b>   | <b>107,562</b>           | <b>28,326</b>            | <b>79,236</b>             |
| Cumulative effect on prior years of change in accounting for major maintenance costs, net of tax | 17,690                   | (4,115) <sup>(N)</sup>   | 21,805                    |
| <b>Income From Continuing Operations</b>   | <b>\$ 125,252</b>        | <b>\$ 24,211</b>         | <b>\$ 101,041</b>         |

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**EDISON MISSION ENERGY  
NOTES TO UNAUDITED PRO FORMA  
CONSOLIDATED FINANCIAL STATEMENTS**

The above unaudited pro forma consolidated financial statements reflect Edison Mission Energy's results of operations for the year ended December 31, 2000 as included in its Annual Report on Form 10-K, as well as its results of operations for the nine months ended September 30, 2001 and its financial position as of September 30, 2001 as included in its Quarterly Report on Form 10-Q.

- (A) To primarily reflect the cash consideration received in connection with the disposition of the Ferrybridge and Fiddler's Ferry power plants, offset by the cash paid for related transaction costs and cash paid in connection with the repayment of the borrowings outstanding under the existing debt facility related to the acquisition of the power plants. In addition, reflects the sale of inventories to purchasers.
- (B) To reflect the disposition of the Ferrybridge and Fiddler's Ferry power plants.
- (C) To reflect the write-off of unamortized debt issue costs related to the early repayment of the existing debt facility.
- (D) To primarily reflect the repayment of the borrowings outstanding under the existing debt facility related to the acquisition of the power plants with the net proceeds received from the sale of the power plants. In addition, reflects the assumption of specified accounts payable by the purchasers.



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UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

EDISON MISSION ENERGY AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET SEPTEMBER 30, 2001 (In thousands)

EDISON MISSION ENERGY AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME (LOSS) FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 (In thousands)

EDISON MISSION ENERGY AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2000 (In thousands)

EDISON MISSION ENERGY NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

SIGNATURE