

## About the Agency

NCEMPA is a state-chartered municipal corporation formed in 1976 by cities that owned and operated electric distribution systems but did not own generating or transmission facilities. At that time, the cities were wholesale customers of either Progress Energy Carolinas, Inc. (PEC) or Dominion North Carolina Power.

NCEMPA completed the sale of all of the electric generating and other assets it jointly owned with DEP to DEP on July 31, 2015. Contemporaneously with the sale of the jointly owned facilities NCEMPA entered into a full requirements power supply contract (FRPPA) with DEP. In connection with the asset sale, bonds were issued ("the 2015 Bonds") to provide funds, together with proceeds of the asset sale and other funds available to NCEMPA, to pay the cost to retire or defease all of the outstanding Power System Revenue Bonds issued under Resolution R-2-82.

Management services for the NCEMPA Agency are provided by ElectriCities of North Carolina, Inc.

## NCEMPA Officers

Troy Lewis, Tarboro, Chairman  
Mayor Stephen W. Tripp, Ayden, Vice Chairman  
Doug Mercer, Washington, Secretary-Treasurer

## NCEMPA Participant Cities

- Apex
- Ayden
- Belhaven
- Benson
- Clayton
- Edenton
- Elizabeth City
- Farmville
- Fremont
- Greenville
- Hamilton
- Hertford
- Hobgood
- Hookerton
- Kinston
- La Grange
- Laurinburg
- Louisburg
- Lumberton
- New Bern
- Pikeville
- Red Springs
- Robersonville
- Rocky Mount
- Scotland Neck
- Selma
- Smithfield
- Southport
- Tarboro
- Wake Forest
- Washington
- Wilson



Q1  
2019

## Third Quarter Performance

Sales of electricity to Members decreased \$3,353,000 (2.5%) compared to the first quarter of 2018. Billed energy decreased by 92,127 MWh (5.0%) due to milder weather conditions in the first quarter of 2019 and contributed \$2,791,000 to the decrease. Billed demand increased 10 MW (0.3%) due to higher coincident peaks and slightly offset the decrease by \$188,000. Other charges and credits decreased by \$1,000,000 primarily due to higher Distributed Generation credits resulting from the operation of the new generators in the first quarter of 2019.

Purchased Power costs decreased \$1,226,000 (1.0%) compared to the first quarter of 2018. Energy and capacity

volumes decreased by 99,221 MWh (5.2%) and 50 MW (1.5%), respectively, and contributed \$899,000 and \$2,724,000 to the decrease, respectively. Lower capacity rates contributed \$2,342,000 to the overall decrease. Higher energy rates slightly offset the overall decrease by \$343,000. Higher Coal Combustion Residual Costs relating to the remediation and management of coal ash residuals offset the overall decrease by \$4,396,000.

## Financing Status

As of March 31, 2019, NCEMPA had outstanding \$308,260,000 in bonds. The weighted average interest cost of the NCEMPA outstanding debt at the end of the quarter was 3.7%. To date, NCEMPA has had \$113,170,000 in debt redeemed prior to or at maturity.

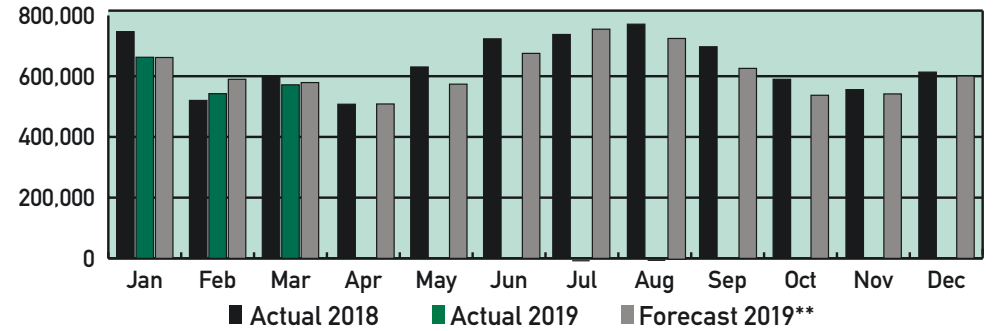


## NCEMPA Statements of Revenues and Expenses

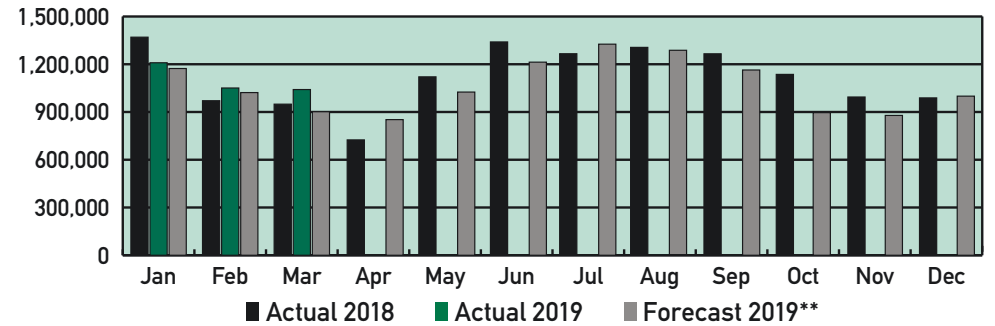
Per bond resolution and other agreements  
(Unaudited) (\$000's)

Revenues	Quarter Ended March 31		Year-to-Date March 31	
	2019	2018	2019	2018
Sales of electricity to participants	\$130,244	\$133,597	\$ 130,244	\$ 133,597
Investment revenue available for operations	670	646	670	646
<b>Total Revenues</b>	<b>130,914</b>	<b>134,243</b>	<b>130,914</b>	<b>134,243</b>
<b>Expenses</b>				
Operation and maintenance	93	90	93	90
Fuel	175	96	175	96
Power coordination services:				
Purchased power	116,082	117,308	116,082	117,308
Transmission and distribution	5,968	6,259	5,968	6,259
Other	(1,336)	(1,945)	(1,336)	(1,945)
<b>Total Power Coordination Services</b>	<b>120,714</b>	<b>121,622</b>	<b>120,714</b>	<b>121,622</b>
Administrative and general - Agency	3,024	2,673	3,024	2,673
Debt service	12,705	12,705	12,705	12,705
<b>Total Expenses</b>	<b>136,711</b>	<b>137,186</b>	<b>136,711</b>	<b>137,186</b>
Net Position increase (decrease)	(5,797)	(2,943)	(5,797)	(2,943)
Net Position, beginning of period	129,281	145,524	129,281	145,524
<b>Net Position, end of period</b>	<b>\$123,484</b>	<b>\$142,581</b>	<b>\$123,484</b>	<b>\$142,581</b>

## NCEMPA Participant Energy Usage\* (in MWh)



## NCEMPA Participant CP Demand\* (in kW)



NOTE: \* NCEMPA Energy and CP Demand are at the Power Agency to City Billing Point and includes the SEPA allocation. Actual data is not weather normalized.

\*\* The Forecast Year 2019 data is from the NCEMPA 2018 Load Forecast.