

About the Agency

NCMPA1 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 Duke Energy Corporation (Duke).

In 1978, the Agency purchased 75 percent ownership in Catawba Nuclear Station Unit 2 located at Lake Wylie, South Carolina. The Agency also has an exchange agreement with Duke that provides for electric power through McGuire Nuclear Station and Catawba Unit 1.

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

NCMPA1 Officers

Todd Clark, Newton, Chairman

J. Richard Howell Jr., Shelby, Vice Chairman

Mayor Jack Edwards, Pineville, Secretary-Treasurer

NCMPA1 Participant Cities

- Albemarle
- Gastonia
- Lexington
- Newton
- Bostic
- Granite Falls
- Lincolnton
- Pineville
- Cherryville
- High Point
- Maiden
- Shelby
- Cornelius
- Huntersville
- Monroe
- Statesville
- Drexel
- Landis
- Morgantown

NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1

1427 Meadow Wood Blvd. • Raleigh, North Carolina 27604 • 919-760-6000



Q1 2021

First Quarter Performance

Sales to Participants increased \$2,050,000 (2.4%) compared to the first quarter of 2020 primarily due to higher energy volumes. Billed energy increased by 62,070 MWh (5.3%) and contributed \$1,934,000 to the increase due to milder weather experienced in the first quarter of 2020.

Sales to utilities increased \$2,123,000 (15.4%) compared to the first quarter of 2020. Average energy rates increased by \$7.7/MWh (40.5%) and contributed \$5,584,000. Energy volumes decreased by 129,593 MWh (17.9%) and offset the increase by \$3,461,000.

Investment revenue decreased \$1,473,000 (54.4%) compared to the first quarter of 2020 primarily due to lower interest rates in the first quarter of 2021 resulting from the economic effects of COVID-19. In addition, lower balances in the Supplemental Fund resulting from the \$100,000,000 working capital refund to Participants made in the third quarter of 2020 further contributed to the decrease.

Purchased power costs decreased \$921,000 (11.3%) compared to the first quarter of 2020 primarily due to lower energy volumes resulting from less favorable difference between Next Day Markets and Real Time Markets.

Special Funds deposit into the Reserved for Future Costs Fund increased \$7,480,000 (100%) compared to the first quarter of 2020. The increase is to provide funds to meet projected decommissioning costs in the Decommissioning Fund. The increase was based on the 2018 site specific funding requirements.

Special Funds deposit into the Reserve and Contingency Fund decreased \$12,704,000 (45.0%) compared to the first quarter of 2020. Higher deposits in the first quarter of 2020 were required to meet the higher capital improvements at the Catawba station after full utilization of the Construction Fund balances.

FINANCIAL STATUS

As of March 31, 2021, NCMPA 1 had outstanding \$714,095,000 in bonds.

The weighted average interest cost of the NCMPA1 outstanding debt at the end of the quarter was 5.01%.

To date, NCMPA1 has had \$2,426,957,000 in debt redeemed prior to or at maturity.

NCMPA1 Statement of Net Position

Per accounting principles generally accepted in the United States of America
(GAAP) (Unaudited) (\$000's)

	March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020
Assets			Deferred Outflows of Resources		
Non-Current Assets			Costs of advance refundings of debt		
Capital Assets:			Unamortized Debt issuance costs		
Electric Utility Plant, Net:			Total Deferred Outflows of Resources		
Electric plant in service	\$2,049,715	\$2,019,183	\$33,277	\$40,356	
Construction work in progress	58,110	66,300	2,649	3,178	
Nuclear fuel	233,788	255,797	<u>35,926</u>	<u>43,534</u>	
Accumulated depreciation & amortization	(1,178,365)	(1,190,031)			
Total Electric Utility Plant, Net	1,163,248	1,151,249			
Non-Utility Property and Equipment, Net:			Liabilities		
Property and equipment	4,348	4,348	Non-Current Liabilities:		
Less accumulated depreciation	(3,446)	(3,403)	Long-Term Debt:		
Total Non-Utility Property & Equipment, Net	902	945	Bonds payable		
Total Capital Assets	1,164,150	1,152,194	Unamortized premium/(discount), net		
Restricted Assets:			Total Long-Term Debt		
Restricted Assets:			Asset Retirement Obligation		
Special Funds Invested:			Total Non-Current Liabilities		
Bond fund	106,539	109,426	Current Liabilities:		
Reserve and contingency fund	6,221	19,441	Operating Liabilities:		
Total Special Funds Invested	112,760	128,867	Accounts payable		
Trust for Decommissioning Costs	389,012	404,530	Accrued taxes		
Total Restricted Assets	501,772	533,397	Total Operating Liabilities		
Total Non-Current Assets	<u>1,665,922</u>	<u>1,685,591</u>	Special Funds Liabilities:		
Current Assets			Current maturities of bonds		
Funds Invested:			Accrued interest on bonds		
Revenue fund	46,714	41,375	Total Special Funds Liabilities		
Operating fund	79,840	79,859	Total Current Liabilities		
Supplemental fund	220,904	286,940	Total Liabilities		
Total Funds Invested	347,458	408,174	1,293,309	1,329,621	
Participant accounts receivable	27,937	27,295	Deferred Inflows of Resources		
Operating accounts receivable	17,085	10,238	Collections to be expended		
Plant materials and renewable certificate inventory	70,430	68,198	Total Deferred Inflows of Resources		
Total Current Assets	462,910	513,905	664,506	656,797	
Total Assets	<u>\$2,128,832</u>	<u>\$2,199,496</u>	<u>664,506</u>	<u>656,797</u>	
			Net Position		
			Net invested in capital assets		
			Unrestricted:		
			Total Net Position		
			918,063	863,707	
			(711,120)	(607,095)	
			<u>\$206,943</u>	<u>\$256,612</u>	

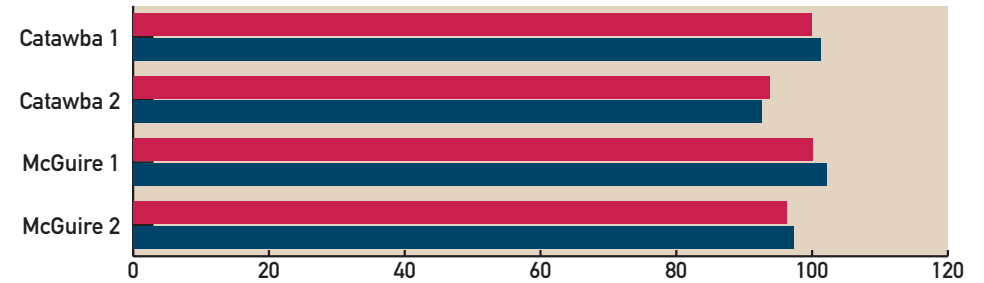
NCMPA1 Statements of Revenues and Expenses

Per Bond Resolution and Other Agreements (Unaudited) (\$000's)

Revenues	Quarter Ended March 31		Year-to-Date March 31	
	2021	2020	2021	2020
Sales of electricity to Participants	\$86,128	\$84,078	\$86,128	\$84,078
Sales of electricity to utilities	15,904	13,781	15,904	13,781
McGuire exchange entitlement	9,588	10,073	9,588	10,073
Investment revenue available for operations	1,235	2,708	1,235	2,708
Other revenues	352	349	352	349
Total Revenues	113,207	110,989	113,207	110,989
Expenses				
Operation and maintenance	24,867	24,675	24,867	24,675
Nuclear fuel	10,565	11,134	10,565	11,134
McGuire exchange entitlement	9,364	9,274	9,364	9,274
Interconnection services:				
Purchased power	7,200	8,121	7,200	8,121
Transmission and distribution	4,509	4,787	4,509	4,787
Other	757	613	757	613
Total Interconnection Services	12,466	13,521	12,466	13,521
Administrative and general - Duke	7,481	7,217	7,481	7,217
Administrative and general - Agency	3,037	3,142	3,037	3,142
Excise taxes	600	551	600	551
Property tax	6,034	5,841	6,034	5,841
Debt service	21,530	21,720	21,530	21,720
Special funds deposits:				
Decommissioning fund	1,131	1,131	1,131	1,131
Reserved for future costs fund	7,480	-	7,480	-
Reserve and contingency fund	15,515	28,219	15,515	28,219
Total Special Funds Deposits	24,126	29,350	24,126	29,350
Total Expenses	120,070	126,425	120,070	126,425
Net Position (decrease)	(6,863)	(15,436)	(6,863)	(15,436)
Net Position, beginning of quarter	213,806	272,048	213,806	272,048
Net Position, end of quarter	\$206,943	\$256,612	\$206,943	\$256,612

NCMPA1 Plant Status

NOTE: 2021 Year-to-date (through March)



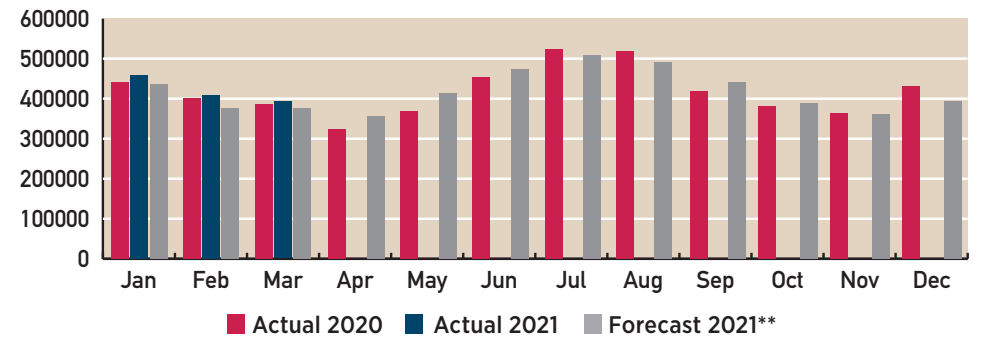
■ **Availability Factor** - The ratio of actual time a unit was available to produce power (regardless of whether it did) to the total time in the period.

There was a scheduled refueling outage for Catawba Unit 2 that started on March 27th. The unit is scheduled back online by May 2nd.

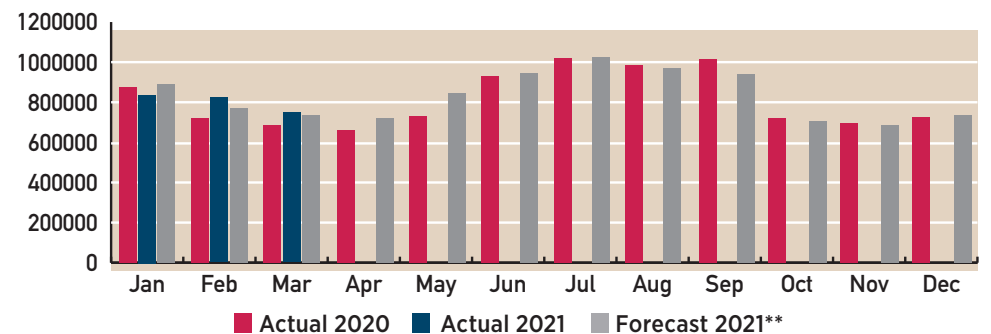
■ **Capacity Factor** - The ratio of actual output to maximum net dependable capability.

McGuire Unit 2 was manually taken offline on February 21st due to the failure of the turbine sealing steam exhaust fan and subsequent failure of the lubrication oil purification system. Repairs were completed and the unit was returned online February 24th.

NCMPA1 Participant Energy Usage* (in MWh)



NCMPA1 Participant OP Demand* (in kW)



NOTE: * NCMPA1 Energy and OP Demand are at the Power Agency to City Billing Point and includes the SEPA allocation. Actual data are not weather normalized.

** The Forecast Year 2021 data is from the NCMPA1 Winter 2020 Load Forecast.