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

Granite Falls

Landis

NCMPA1 Participant Cities

- Albemarle
- Bostic
- Cherryville
- Cornelius
- Drexel

- Gastonia Lexington
- High Point Maiden
- Huntersville
 Monroe
 - Morganton

Lincolnton

- Newton
- Pineville
- Shelby
- Statesville

NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1

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



Third Quarter Performance

Sales to utilities increased \$6,514,000 (91.4%) compared to the third quarter of 2020. Average energy rates increased by \$16.60/MW (100.1%) and contributed \$7,135,000 to the increase. Energy volumes decreased by 18,724 MWh (4.4%) and offset the increase by \$621,000.

Investment revenue decreased \$1,566,000 (59.7%) compared to the third quarter of 2020 primarily due to lower balances in the Supplemental Fund resulting from the \$100,000,000 working capital refund to Participants made in the third quarter of 2020.

Operation and maintenance costs decreased \$1,057,000 (5.1%) compared to the third quarter of 2020 primarily due to the receipt of \$1,500,000 in credits resulting from the Arbitration Settlement Agreement in the third quarter of 2021.

Purchased power costs increased \$5,916,000 (75.2%) compared to the third quarter of 2020 primarily due to higher supplemental energy volumes and rates driven by hotter weather conditions and higher energy rates driven by natural gas prices in the third quarter of 2021.

Administrative and general - Duke costs decreased \$1,072,000 (13.3%) compared to the third quarter of 2020 primarily due to the 2019 A&G true-up charge of \$1,100,000 recorded in the third quarter of 2020.

Return of Working Capital decreased

\$100,000,000 (100.0%) compared to the third quarter of 2020 due to a \$100,000,000 working capital refund to Participants made in the third quarter of 2020.

Special Funds deposit into the Reserved for Future Costs Fund increased \$7,480,000 (100%) compared to the third quarter of 2020 for funding requirements for projected decommissioning costs at the Catawba Nuclear Plant.

Special Funds deposit into the Reserve and Contingency Fund decreased \$3,655,000 (29.9%) compared to the third quarter of 2020 due to the timing of the deposits. The scheduled September-December 2020 deposits were deposited earlier in July and August 2020. Higher deposits were required in the third quarter of 2020 to meet the higher capital improvements at the Catawba station after full utilization of the Construction Fund balances.

FINANCIAL STATUS

As of September 30, 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)

	September 30, 2021	September 30, 2020
Assets		
Non-Current Assets		
Capital Assets:		
Electric Utility Plant, Net:		
Electric plant in service	\$2.049.715	\$2.019.183
Construction work in progress	80.229	91,969
Nuclear fuel	271.245	266.640
Accumulated depreciation & amortization	(1,220,901)	(1,232,028)
Total Electric Utility Plant, Net	1,180,288	1,145,764
Non-Utility Property and Equipment, Net:		
Property and equipment	3,817	4,348
Less accumulated depreciation	(2,937)	(3,425)
Total Non-Utility Property & Equipment, Net	880	923
Total Capital Assets	1,181,168	1,146,687
•		
Restricted Assets:		
Special Funds Invested:		
Bond fund	131,516	134,006
Reserve and contingency fund	5,123	11,235
Total Special Funds Invested	136,639	145,241
Trust for Decommissioning Costs	399,064	409,738
Total Restricted Assets	535,703	554,979
Total Non-Current Assets	1,716,871	1,701,666
Current Assets		
Funds Invested:		
Revenue fund	41,029	67,434
Operating fund	65,919	87,393
Supplemental fund	249,727	191,349
Total Funds Invested	356,675	346,176
Participant accounts receivable	35,042	35,673
Operating accounts receivable	8,523	15,040
Plant materials and renewable certificate inventory	71,598	68,678
Total Current Assets	471,838	465,567
Total Assets	\$2,188,709	\$2,167,233

	September 30, 2021	September 30, 2020	
Deferred Outflows of Resources Costs of advance refundings of debt Unamortized Debt issuance costs Total Deferred Outflows of Resources	\$30,312 2,451 32,763	\$36,519 2,879 39,398	
Liabilities Non-Current Liabilities: Long-Term Debt:			
Bonds payable Unamortized premium/(discount), net Total Long-Term Debt	663.090 57.456 720,546	714.095 70,723 784,818	
Asset Retirement Obligation Total Non-Current Liabilities Current Liabilities:	<u>515,213</u> 1,235,759	<u>487,015</u> 1,271,833	
Operating Liabilities: Accounts payable Accrued taxes Total Operating Liabilities	543 <u>18,102</u> 18,645	522 <u>17,522</u> 18,044	
Special Funds Liabilities: Current maturities of bonds Accrued interest on bonds Total Special Funds Liabilities Total Current Liabilities Total Liabilities	51,005 8,753 59,758 78,403 1,314,162	49,265 9,371 58,636 76,680 1,348,513	
Deferred Inflows of Resources Collections to be expended Total Deferred Inflows of Resources	684,056 684,056	672,433 672,433	
Net Position Net invested in capital assets Unrestricted: Total Net Position	938,113 (714,859) \$223,254	861,923 (676,238) \$185,685	

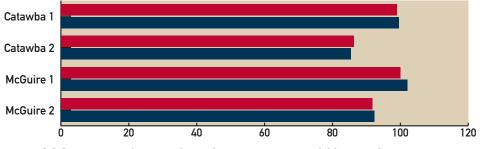
NCMPA1 Statements of Revenues and Expenses

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

	Quarter Ended Se	ter Ended September 30		Year-to-Date September 30	
Revenues	2021	2020	2021	2020	
Sales of electricity to Participants	\$114,368	\$113.746	\$293.219	\$285.995	
Sales of electricity to utilities	13.640	7.126	42.087	29.713	
McGuire exchange entitlement	9.830	10.292	24.967	25.107	
Investment revenue available for operation	ons 1,057	2,623	3,476	7,843	
Other revenues	395	353	1.102	1,056	
Total Revenues	139,290	134,140	364,851	349,714	
Expenses					
Operation and maintenance	19.523	20.580	78,092	73.599	
Nuclear fuel	10.931	11.198	30,505	31.852	
McGuire exchange entitlement	8.516	9.208	24,989	24.037	
Interconnection services:	-,	-,	,	,	
Purchased power	13,779	7,863	28,894	23,615	
Transmission and distribution	4,685	3,901	13,684	13,035	
Other	652	568	1,987	1,791	
Total Interconnection Services	19,116	12,332	44,565	38,441	
Administrative and general - Duke	6,968	8,040	22,614	22,494	
Administrative and general - Agen	су 3,145	3,423	9,387	9,585	
Excise taxes	600	589	1,719	1,648	
Property tax	6,034	5,840	18,102	17,522	
Return of Working Capital	-	100,000	-	100,000	
Debt service	21,595	21,721	64,631	65,131	
Special funds deposits:					
Decommissioning fund	1,131	1,132	3,394	3,394	
Reserved for future costs fund	7,480	-	22,439	-	
Reserve and contingency fund	8,582	12,237	34,968	48,375	
Total Special Funds Deposits	17,193	13,369	60,801	51,769	
Total Expenses	113,621	206,300	355,405	436,078	
Net Position (decrease)	25,669	(72,160)	9,446	(86,364)	
Net Position, beginning of quarte	er <u>197,585</u>	257,845	213,808	272,049	
Net Position, end of quarter	\$223,254	\$185,685	\$223,254	\$185,685	

NCMPA1 Plant Status

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



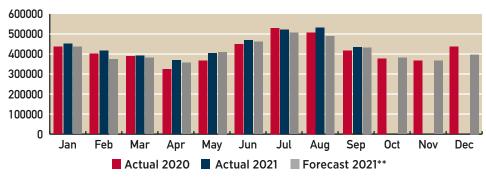
Availability Factor - The ratio of actual time a unit was available to produce power (regardless of whether it did) to the total time in the period.

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

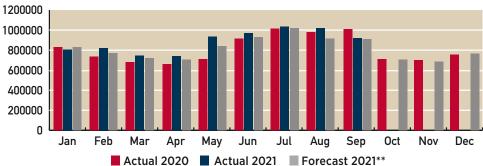
Catawba Unit 1 was forced offline on August 27th due to the overheating of the main generator flexible links (x-phase of the isolated phase bus). The unit was returned to service on August 29th, outage duration of 3 days.

The McGuire Unit 2 refueling outage started on September 11th, and the unit was returned to service on October 11th. The outage duration was 30 days.

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.