

## 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



# Q3 2021

## 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.



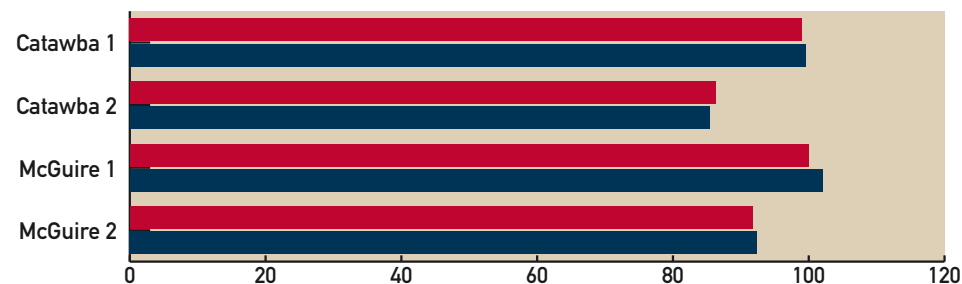
## NCMPA1 Statements of Revenues and Expenses

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

Revenues	Quarter Ended September 30		Year-to-Date September 30	
	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 operations	1,057	2,623	3,476	7,843
Other revenues	395	353	1,102	1,056
<b>Total Revenues</b>	<b>139,290</b>	<b>134,140</b>	<b>364,851</b>	<b>349,714</b>
<b>Expenses</b>				
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
<b>Total Interconnection Services</b>	<b>19,116</b>	<b>12,332</b>	<b>44,565</b>	<b>38,441</b>
Administrative and general - Duke	6,968	8,040	22,614	22,494
Administrative and general - Agency	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
<b>Total Special Funds Deposits</b>	<b>17,193</b>	<b>13,369</b>	<b>60,801</b>	<b>51,769</b>
<b>Total Expenses</b>	<b>113,621</b>	<b>206,300</b>	<b>355,405</b>	<b>436,078</b>
Net Position (decrease)	25,669	(72,160)	9,446	(86,364)
Net Position, beginning of quarter	197,585	257,845	213,808	272,049
<b>Net Position, end of quarter</b>	<b>\$223,254</b>	<b>\$185,685</b>	<b>\$223,254</b>	<b>\$185,685</b>

## NCMPA1 Plant Status

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



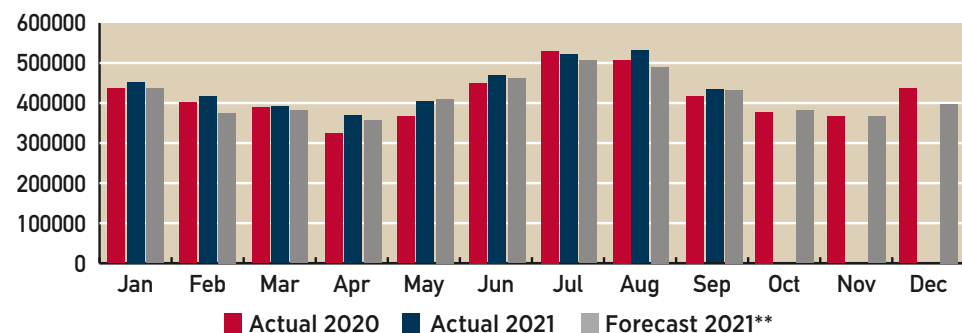
■ **Availability Factor** - The ratio of actual time a unit was available to produce power (regardless of whether it did) to the total time in the period.

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

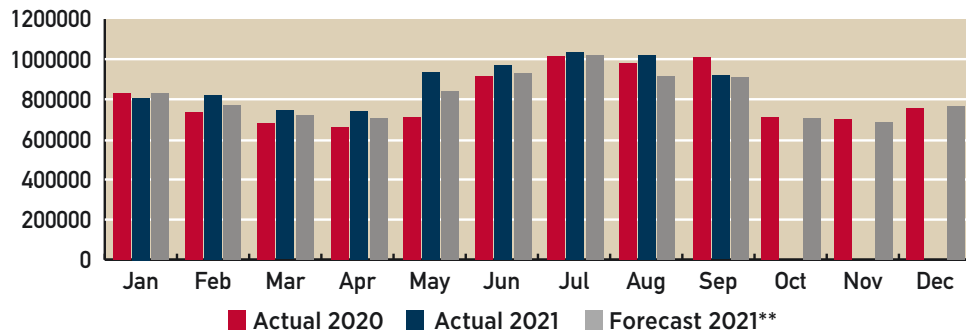
Catawba Unit 1 was forced offline on August 27th due to the overheating of the main generator flexible links (x-phase of the isolated phase bus). The unit was returned to service on August 29th, outage duration of 3 days.

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.