



## 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% 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

- Mayor Jack Edwards, Pineville, Chairman**
- Thurman Ross, Jr., Cornelius, Vice Chairman**
- Michael Peoples, Gastonia, Secretary-Treasurer**

## NCMPA1 Participant Cities

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

Sales to Participants increased \$2,719,000 (2.9%) compared to the second quarter of 2021 primarily due to higher demand and energy volumes resulting from hotter weather conditions in the second quarter of 2022. Billing demand and energy sales increased 30 MW (1.3%) and 67,639 MWh (5.5%), respectively and contributed \$261,000 and \$2,119,000, respectively, to the increase.

Sales to utilities increased \$15,656,000 (124.8%) compared to the second quarter of 2021. Average energy rates increased by \$41.6/MWh (170.2%) and contributed \$21,350,000. Energy volumes decreased by 86,208 MWh (16.8%) and offset the increase by \$5,694,000.

McGuire Exchange entitlement increased \$2,794,000 (50.4%) compared to the second quarter of 2021 primarily due to the scheduled refueling outage at McGuire Unit 1 in April 2022. There were no scheduled refueling outages at the McGuire Units in the second quarter of 2021. A lower annual energy pricing true-up charge in the second quarter of 2022 compared to the second quarter of 2021 further contributed to the increase by \$1,676,000.

Operations and maintenance decreased \$13,600,000 (40.4%) compared to the second quarter of 2021 primarily due to higher refueling outage costs at Catawba Unit 2 in the second quarter of 2021 resulting from additional maintenance activities performed. There were no scheduled refueling outages at the Catawba Units in the second quarter of 2022.

Nuclear fuel costs increased \$2,321,000 (25.8%) compared to the second quarter of 2021 primarily due to lower fuel burn in the second quarter of 2021 resulting from the Catawba Unit 2 refueling outage. There were no

scheduled refueling outages at the Catawba Units in the second quarter of 2022.

Purchased power costs increased \$6,562,000 (82.9%) compared to the second quarter of 2021. Higher volumes and energy rates driven by weather and market conditions contributed \$1,391,000 and \$5,075,000, respectively, to the increase.

Administrative and general - Duke decreased \$1,068,000 (13.1%) compared to the second quarter of 2021. Additional maintenance activities performed during the Catawba Unit 2 refueling outage in the second quarter of 2021 resulted in higher personnel costs. There were no scheduled refueling outages at the Catawba Units in the second quarter of 2022.

Debt service decreased \$1,618,000 (7.5%) compared to the second quarter of 2021 in accordance with the debt payment schedules.

Special Funds deposit into the Decommissioning Fund decreased \$1,131,000 (100.0%) compared to the second quarter of 2021 due to cessation of Decommissioning Fund deposits for rate planning purposes.

Special Funds deposit into the Reserved for Future Costs Fund decreased \$7,480,000 (100.0%) compared to the second quarter of 2021 due to cessation of Reserved for Future Costs deposits for rate planning purposes.

Special Funds deposit into the Reserve and Contingency Fund increased \$2,507,000 (23.1%) compared to the second quarter of 2021. Higher deposits in the second quarter of 2022 were required to meet the higher capital improvements at the Catawba station.

## FINANCIAL STATUS

As of July 31, 2022, NCMPA 1 had outstanding \$635,475,000 in bonds. The weighted average interest cost of the NCMPA1 outstanding debt at the end of the quarter was 5.12%. To date, NCMPA1 has had \$2,505,577,000 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)

	June 30, 2022	June 30, 2021
<b>Assets</b>		
<b>Non-Current Assets</b>		
Capital Assets:		
Electric Utility Plant, Net:		
Electric plant in service	\$2,063,293	\$2,049,715
Construction work in progress	54,836	74,599
Nuclear fuel	238,497	238,341
Accumulated depreciation & amortization	(1,220,515)	(1,198,955)
Total Electric Utility Plant, Net	<u>1,136,111</u>	<u>1,163,700</u>
Non-Utility Property and Equipment, Net:		
Property and equipment	3,814	3,817
Less accumulated depreciation	(2,966)	(2,926)
Total Non-Utility Property & Equipment, Net	<u>848</u>	<u>891</u>
Total Capital Assets	<u>1,136,959</u>	<u>1,164,591</u>
<b>Restricted Assets:</b>		
Special Funds Invested:		
Bond fund	121,098	127,837
Reserve and contingency fund	18,427	6,406
Total Special Funds Invested	<u>139,525</u>	<u>134,243</u>
Trust for Decommissioning Costs	395,987	397,799
Total Restricted Assets	<u>535,512</u>	<u>532,042</u>
Total Non-Current Assets	<u>1,672,471</u>	<u>1,696,633</u>
<b>Current Assets</b>		
Funds Invested:		
Revenue fund	25,668	46,920
Operating fund	84,062	87,509
Supplemental fund	252,126	225,244
Total Funds Invested	<u>361,856</u>	<u>359,673</u>
Participant accounts receivable	38,563	37,115
Operating accounts receivable	45,296	7,251
Plant materials and renewable certificate inventory	72,228	70,132
Total Current Assets	<u>517,943</u>	<u>474,171</u>
Total Assets	<u>\$2,190,414</u>	<u>\$2,170,804</u>

	June 30, 2022	June 30, 2021
<b>Deferred Outflows of Resources</b>		
Costs of advance refundings of debt	\$26,152	\$31,795
Unamortized debt issuance costs	2,169	2,551
Total Deferred Outflows of Resources	<u>28,321</u>	<u>34,346</u>
<b>Liabilities</b>		
<b>Non-Current Liabilities:</b>		
<b>Long-Term Debt:</b>		
Bonds payable	587,855	663,090
Unamortized premium/(discount), net	49,365	60,096
Total Long-Term Debt	<u>637,220</u>	<u>723,186</u>
Asset Retirement Obligation	537,483	508,066
Total Non-Current Liabilities	<u>1,174,703</u>	<u>1,231,252</u>
<b>Current Liabilities:</b>		
<b>Operating Liabilities:</b>		
Accounts payable	3,415	12,692
Accrued taxes	12,423	12,065
Total Operating Liabilities	<u>15,838</u>	<u>24,757</u>
<b>Special Funds Liabilities:</b>		
Current maturities of bonds	47,620	51,005
Accrued interest on bonds	15,961	17,506
Total Special Funds Liabilities	<u>63,581</u>	<u>68,511</u>
Total Current Liabilities	<u>79,419</u>	<u>93,268</u>
Total Liabilities	<u>1,254,122</u>	<u>1,324,520</u>
<b>Deferred Inflows of Resources</b>		
Collections to be expended	724,263	683,047
Total Deferred Inflows of Resources	<u>724,263</u>	<u>683,047</u>
<b>Net Position</b>		
Net invested in capital assets	694,042	917,728
Restricted for debt service	46,984	-
Unrestricted:	(500,676)	(720,145)
Total Net Position*	<u>\$240,350</u>	<u>\$197,583</u>

\* The components of net position were restated in the 2021 Annual Financial Statements.  
Please see Footnote J in the Annual Audit Report.

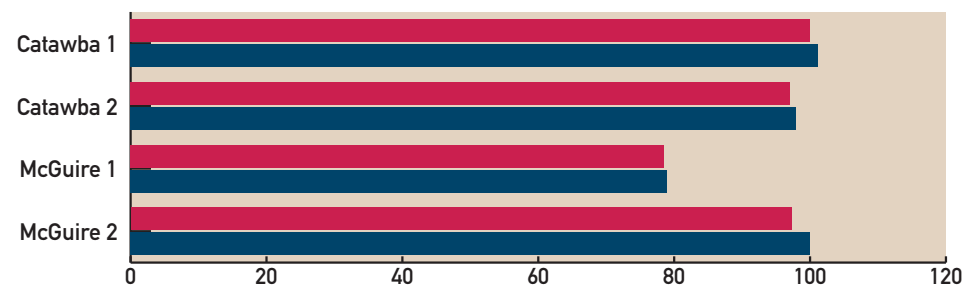
## NCMPA1 Statements of Revenues and Expenses

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

Revenues	Quarter Ended June 30		Year-to-Date June 30	
	2022	2021	2022	2021
Sales of electricity to participants	\$95,442	\$92,723	\$182,429	\$178,850
Sales of electricity to utilities	28,200	12,544	53,026	28,447
McGuire exchange entitlement	8,342	5,548	17,844	15,137
Investment revenue available for operations	1,005	1,185	1,936	2,419
Other revenues	347	354	698	707
<b>Total Revenues</b>	<b>133,336</b>	<b>112,354</b>	<b>255,933</b>	<b>225,560</b>
<b>Expenses</b>				
Operation and maintenance	20,103	33,703	41,879	58,570
Nuclear fuel	11,331	9,010	22,632	19,575
McGuire exchange entitlement	6,155	7,111	14,998	16,474
Interconnection services:				
Purchased power	14,478	7,916	21,029	15,115
Transmission and distribution	4,305	4,490	8,913	8,999
Other	898	578	1,542	1,335
<b>Total Interconnection Services</b>	<b>19,681</b>	<b>12,984</b>	<b>31,484</b>	<b>25,449</b>
Administrative and general - Duke	7,096	8,164	14,266	15,645
Administrative and general - Agency	3,144	3,205	6,672	6,243
Excise taxes	613	519	1,305	1,119
Property tax	6,211	6,034	12,423	12,068
Debt service	19,886	21,504	39,796	43,034
Special funds deposits:				
Decommissioning fund	-	1,131	-	2,263
Reserved for future costs fund	-	7,480	833	14,959
Reserve and contingency fund	13,378	10,871	32,472	26,386
<b>Total Special Funds Deposits</b>	<b>13,378</b>	<b>19,482</b>	<b>33,305</b>	<b>43,608</b>
<b>Total Expenses</b>	<b>107,598</b>	<b>121,716</b>	<b>218,760</b>	<b>241,785</b>
Net Position (decrease)	25,738	(9,362)	37,173	(16,225)
Net Position, beginning of quarter	214,612	206,945	203,177	213,808
<b>Net Position, end of quarter</b>	<b>\$240,350</b>	<b>\$197,583</b>	<b>\$240,350</b>	<b>\$197,583</b>

## NCMPA1 Plant Status

NOTE: 2022 Year-to-date (through June)



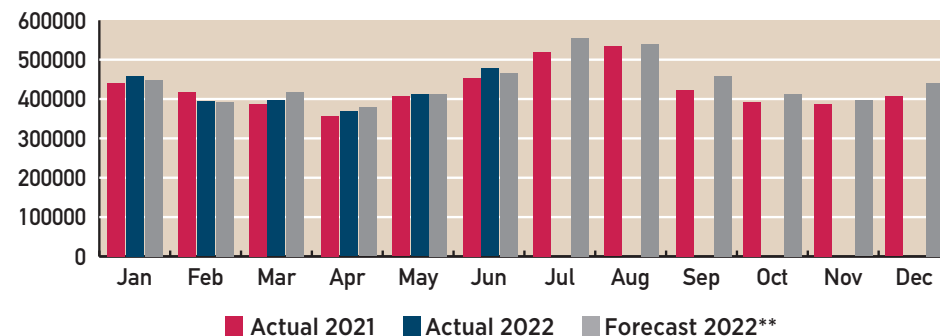
■ **Availability Factor** - The ratio of actual time a unit was available to produce power (regardless of whether it did) to the total time in the period.

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

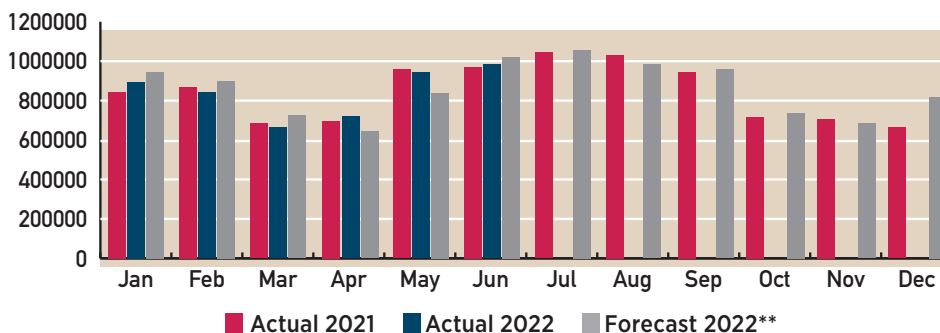
McGuire Unit 1 was taken offline on April 2nd for a scheduled refueling outage. The outage was extended due to issues with the main generator seals. The unit was placed back online on May 9th.

Catawba Unit 2 was manually taken offline on April 23rd due to a control rod issue. The unit was placed back in service on April 28th.

## 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 include the SEPA allocation. Actual data are not weather normalized.

\*\* The Forecast Year 2022 data is from the NCMPA1 Winter 2021 Load Forecast.