



Q3 2022 Third Quarter Performance

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

Sales to Participants decreased \$8,956,000 (7.8%) compared to the third quarter of 2021 primarily due to lower billed demand resulting from a 13% rate decrease effective July 1, 2022. Lower demand rates contributed \$9,864,000 to the decrease. This was offset by higher billed demand and energy sales resulting from hotter weather experienced in the third quarter of 2022. Billed demand and energy sales increased by 18 MW (0.7%) and 18,258 MWh (1.2%) which offset the overall decrease by \$256,000 and \$577,000, respectively.

Sales to utilities increased \$16,175,000 (118.6%) compared to the third quarter of 2021. Average energy rates increased by \$40.1/MWh (120.9%) and contributed \$16,487,000. Energy volumes decreased by 4,262 MWh (1.0%) and slightly offset the increase by \$312,000.

McGuire Exchange entitlement revenues decreased \$1,330,000 (13.5%) compared to the third quarter of 2021 primarily due to lower entitlement sales resulting from the refueling outage at Catawba Unit 2 in the third quarter of 2022. There were no refueling outages in the third quarter of 2021.

Operations and maintenance increased \$3,841,000 (19.7%) compared to the third quarter of 2021 primarily due to higher operating costs related to the refueling outage at Catawba Unit 2 in the third quarter of 2022. There were no refueling outages in the third quarter of 2021.

Purchased power costs increased \$5,984,000 (43.4%) compared to the third quarter of 2021 primarily due to higher energy rates driven by market conditions

Debt service decreased \$1,619,000 (7.5%) compared to the third 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 third 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 third quarter of 2021 due to lower required deposits and a timing of the 2022 deposits.

Special Funds deposit into the Reserve and Contingency Fund increased \$1,980,000 (23.1%) compared to the third quarter of 2021. Higher deposits in the third quarter of 2022 were required to meet the higher capital improvements at the Catawba station.

FINANCIAL STATUS

As of September 30, 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)

	September 30, 2022	September 30, 2021
Assets		
Non-Current Assets		
Capital Assets:		
Electric Utility Plant, Net:		
Electric plant in service	\$2,063,293	\$2,049,715
Construction work in progress	67,110	80,229
Nuclear fuel	269,513	271,245
Accumulated depreciation & amortization	(1,242,247)	(1,220,901)
Total Electric Utility Plant, Net	<u>1,157,669</u>	<u>1,180,288</u>
Non-Utility Property and Equipment, Net:		
Property and equipment	3,814	3,817
Less accumulated depreciation	(2,976)	(2,937)
Total Non-Utility Property & Equipment, Net	<u>838</u>	<u>880</u>
Total Capital Assets	<u>1,158,507</u>	<u>1,181,168</u>
Restricted Assets:		
Special Funds Invested:		
Bond fund	123,547	131,516
Reserve and contingency fund	22,140	5,123
Total Special Funds Invested	<u>145,687</u>	<u>136,639</u>
Trust for Decommissioning Costs	378,254	399,064
Total Restricted Assets	<u>523,941</u>	<u>535,703</u>
Total Non-Current Assets	<u>1,682,448</u>	<u>1,716,871</u>
Current Assets		
Funds Invested:		
Revenue fund	34,670	41,029
Operating fund	71,660	65,919
Supplemental fund	280,365	249,727
Total Funds Invested	<u>386,695</u>	<u>356,675</u>
Participant accounts receivable	31,747	35,042
Operating accounts receivable	26,324	8,523
Plant materials and renewable certificate inventory	72,158	71,598
Total Current Assets	<u>516,924</u>	<u>471,838</u>
Total Assets	<u>\$2,199,372</u>	<u>\$2,188,709</u>

	September 30, 2022	September 30, 2021
Deferred Outflows of Resources		
Costs of advance refundings of debt	\$24,814	\$30,312
Unamortized debt issuance costs	2,079	2,451
Total Deferred Outflows of Resources	<u>26,893</u>	<u>32,763</u>
Liabilities		
Non-Current Liabilities:		
Long-Term Debt:		
Bonds payable	587,855	663,090
Unamortized premium/(discount), net	46,851	57,456
Total Long-Term Debt	<u>634,706</u>	<u>720,546</u>
Asset Retirement Obligation	545,044	515,213
Total Non-Current Liabilities	<u>1,179,750</u>	<u>1,235,759</u>
Current Liabilities:		
Operating Liabilities:		
Accounts payable	640	543
Accrued taxes	18,634	18,102
Total Operating Liabilities	<u>19,274</u>	<u>18,645</u>
Special Funds Liabilities:		
Current maturities of bonds	47,620	51,005
Accrued interest on bonds	7,981	8,753
Total Special Funds Liabilities	<u>55,601</u>	<u>59,758</u>
Total Current Liabilities	<u>74,875</u>	<u>78,403</u>
Total Liabilities	<u>1,254,625</u>	<u>1,314,162</u>
Deferred Inflows of Resources		
Collections to be expended	700,082	684,056
Total Deferred Inflows of Resources	<u>700,082</u>	<u>684,056</u>
Net Position		
Net invested in capital assets	711,108	938,113
Restricted for debt service	53,146	-
Unrestricted:	(492,696)	(714,859)
Total Net Position*	<u>\$271,558</u>	<u>\$223,254</u>

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

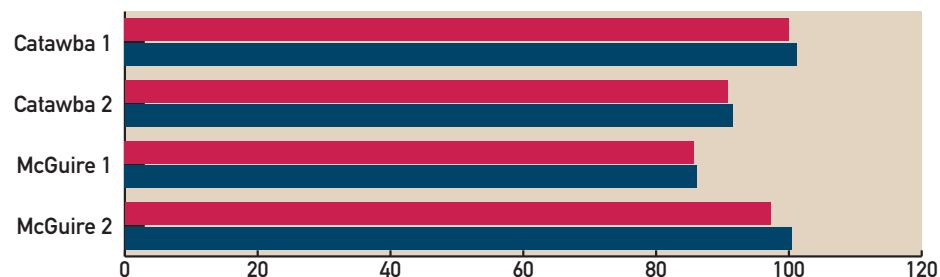
NCMPA1 Statements of Revenues and Expenses

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

Revenues	Quarter Ended September 30		Year-to-Date September 30	
	2022	2021	2022	2021
Sales of electricity to Participants	\$105,412	\$114,368	\$287,842	\$293,219
Sales of electricity to utilities	29,815	13,640	82,841	42,087
McGuire exchange entitlement	8,500	9,830	26,344	24,967
Investment revenue available for operations	1,605	1,057	3,541	3,476
Other revenues	350	395	1,048	1,102
Total Revenues	145,682	139,290	401,616	364,851
Expenses				
Operation and maintenance	23,364	19,523	65,243	78,092
Nuclear fuel	10,280	10,931	32,913	30,505
McGuire exchange entitlement	9,158	8,516	24,156	24,989
Interconnection services:				
Purchased power	19,763	13,779	40,792	28,894
Transmission and distribution	4,249	4,685	13,162	13,684
Other	561	652	2,103	1,987
Total Interconnection Services	24,573	19,116	56,057	44,565
Administrative and general - Duke	6,347	6,968	20,613	22,614
Administrative and general - Agency	3,430	3,145	10,104	9,387
Excise taxes	573	600	1,877	1,719
Property tax	6,211	6,034	18,634	18,102
Debt service	19,976	21,595	59,772	64,631
Special funds deposits:				
Revenue Fund	-	-	-	3,394
Decommissioning fund	-	1,131	-	22,439
Reserved for future costs fund	-	7,480	833	34,968
Reserve and contingency fund	10,562	8,582	43,033	60,801
Total Special Funds Deposits	10,562	17,193	43,866	43,608
Total Expenses	114,474	113,621	333,235	355,405
Net Position (decrease)	31,208	25,669	68,381	9,446
Net Position, beginning of quarter	240,350	197,585	203,177	213,808
Net Position, end of quarter	\$271,558	\$223,254	\$271,558	\$223,254

NCMPA1 Plant Status

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

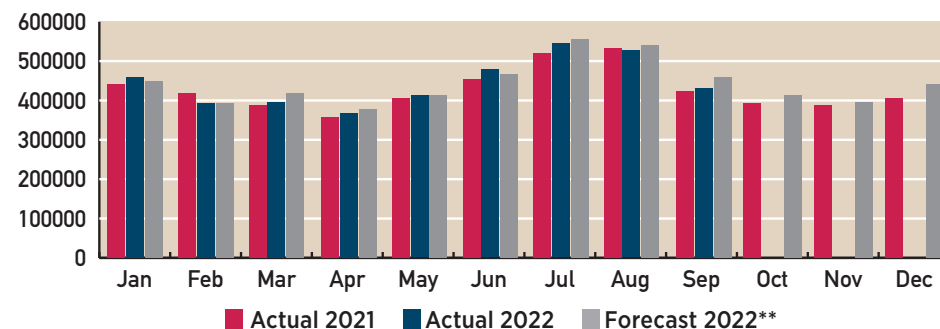


■ **Availability Factor** - The ratio of actual time a unit was available to produce power (regardless of whether it did) to the total time in the period.

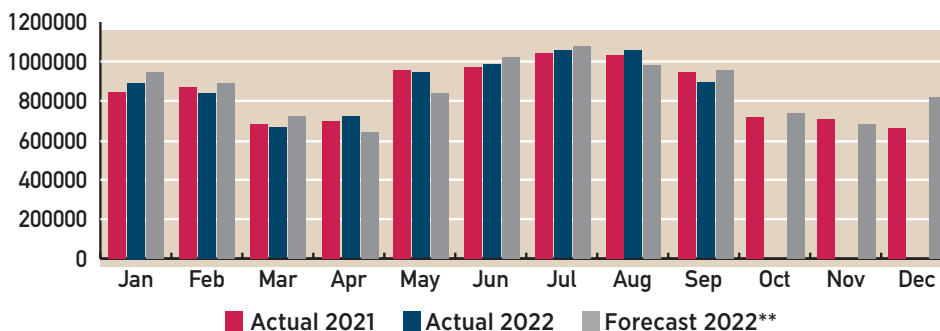
■ **Capacity Factor** - The ratio of actual output to maximum net dependable capability.

Catawba Unit 2 was taken offline on September 10th for a scheduled refueling outage. The unit was placed back in service October 26th.

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, DG and PPP generation. Actual data are not weather normalized.

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