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

Michael Peoples, Gastonia, Chairman
Richard Haynes, Lincolnton, Vice Chairman
Daniel Cobb, Granite Falls, Secretary

NCMPA1 Participant Cities

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

NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1
1427 Meadow Wood Blvd. • Raleigh, North Carolina 27604 • 919-760-6000

NCMPA1 Q2 2026

Second Quarter Performance

Sales to Participants increased $358,000 (0.5%) which is comparable to the second quarter of 2025.

Sales to Other Utilities decreased $1,775,000 (23.6%) compared to the second quarter of 2025. Energy volumes decreased by 90,102 MWh (33.3%) contributing $2,856,000 to the unfavorable variance. The average energy rates increased by $4.00/MWh (14.4%) and offset the decrease by $1,081,000.

Sales to Central increased by $3,562,000 (14.4%) compared to the second quarter of 2025 primarily due to higher operating and capital costs associated with the Agency's ownership interest in the Catawba Nuclear Station. The higher costs reflect the impact of the scheduled refueling outage at Catawba Unit 1 during second quarter of 2026. There was no refueling outage during the same period in 2025.

McGuire Exchange entitlement revenue decreased $3,079,000 (34.6%) compared to the second quarter of 2025 primarily due to lower entitlement sales resulting from the refueling outage at Catawba Unit 1, an unplanned outage at Catawba Unit 2 and the extended outage at McGuire Unit 2 during the second quarter of 2026. There were no outages in the second quarter of 2025. Additionally, a higher annual energy pricing true-up charge in the second quarter of 2026 further contributed to the decrease. The annual true-up charge received in April 2026 was $1,682,000 compared to the $874,000 received in April 2025, an increase of $808,000.

Operations and Maintenance increased $7,524,000 (29.7%) compared to the second quarter of 2025 primarily due to higher operating costs related to the refueling outage at Catawba Unit 1 in the second quarter of 2026. There were no refueling outages in the second quarter of 2025.

Nuclear Fuel decreased $2,723,000 (17.9%) compared to the second quarter of 2025 primarily due to lower nuclear fuel burn resulting from the refueling outage at Catawba Unit 1 in the second quarter of 2026. There were no refueling outages in the second quarter of 2025.

Purchased power costs increased $3,951,000 (32.2%) compared to the second quarter of 2025. Higher energy volumes driven by hotter weather conditions contributed $5,244,000 to the increase. While lower energy rates offset the increase by $1,293,000.

FINANCIAL STATUS

As of June 30, 2026, NCMPA 1 had outstanding $361,460,000 in bonds.

The weighted average interest cost of the NCMPA1 outstanding debt at the end of the quarter was 4.266%.

To date, NCMPA1 has had $2,779,592,000 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, 2026	June 30, 2025
Assets		
Non-Current Assets		
Capital Assets:		
Electric Utility Plant, Net:		
Electric plant in service	$2,216,166	$2,173,381
Construction work in progress	87,603	82,587
Nuclear fuel	360,427	339,873
Accumulated depreciation & amortization	(1,380,805)	(1,369,380)
Total Electric Utility Plant, Net	1,283,391	1,226,461
Non-Utility Property and Equipment, Net:		
Property and equipment	4,098	4,054
Less accumulated depreciation	(3,236)	(3,162)
Total Non-Utility Property & Equipment, Net	862	892
Total Capital Assets	1,284,253	1,227,353
Restricted Assets:		
Special Funds Invested:		
Construction fund		
Bond fund	126,327	128,258
Reserve and contingency fund	16,981	20,334
Total Special Funds Invested	143,308	148,592
Trust for Decommissioning Costs	575,040	524,917
Total Restricted Assets	718,348	673,509
Total Non-Current Assets	2,002,601	1,900,862
Current Assets		
Funds Invested:		
Revenue fund	44,053	44,943
Operating fund	66,716	75,526
Supplemental fund	163,265	188,087
Total Funds Invested	274,034	308,556
Participant accounts receivable	33,225	33,623
Operating accounts receivable	8,993	15,779
Plant materials and renewable certificate inventory	77,124	76,894
Total Current Assets	393,376	434,852
Total Assets	$2,395,977	$2,335,714

	June 30, 2026	June 30, 2025
Deferred Outflows of Resources		
Costs of advance refundings of debt	$8,330	$11,792
Unamortized debt issuance costs	865	1,146
Total Deferred Outflows of Resources	9,195	12,938
Liabilities		
Non-Current Liabilities:		
Long-Term Debt:		
Bonds payable	345,640	409,740
Unamortized premium/(discount), net	14,774	21,420
Total Long-Term Debt	360,414	431,160
Asset Retirement Obligation	566,947	535,917
Total Non-Current Liabilities	927,361	967,077
Current Liabilities:		
Operating Liabilities:		
Accounts payable	20,490	7,242
Accrued taxes	14,515	13,063
Total Operating Liabilities	35,005	20,305
Special Funds Liabilities:		
Current maturities of bonds	64,100	61,105
Accrued interest on bonds	10,484	11,985
Total Special Funds Liabilities	74,584	73,090
Total Current Liabilities	109,589	93,395
Total Liabilities	1,036,950	1,060,472
Deferred Inflows of Resources		
Collections to be expended	1,246,086	1,137,379
Total Deferred Inflows of Resources	1,246,086	1,137,379
Net Position		
Net invested in capital assets	1,026,954	926,330
Restricted for debt service	50,767	56,051
Unrestricted:	(955,585)	(831,580)
Total Net Position	$122,136	$150,801

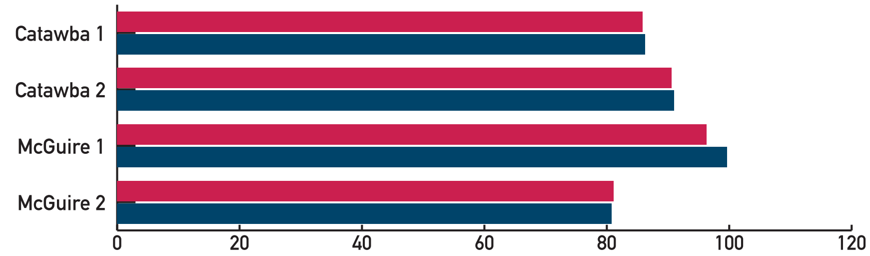
NCMPA1 Statements of Revenues and Expenses

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

	Quarter Ended June 30		Year-to-Date June 30	
Revenues	2026	2025	2026	2025
Sales of electricity to participants	$76,881	$76,523	$145,920	$145,000
Sales of electricity to utilities	5,731	7,506	19,597	25,821
Sales of electricity to central	28,237	24,675	53,334	49,913
McGuire exchange entitlement	5,812	8,891	15,306	18,333
Investment revenue available for operations	3,143	3,358	6,044	5,782
Other revenues	348	348	701	693
Total Revenues	120,152	121,301	240,902	245,542
Expenses				
Operation and maintenance	32,859	25,335	57,074	51,443
Nuclear fuel	12,466	15,189	28,046	29,631
McGuire exchange entitlement	6,427	7,337	14,879	16,378
Interconnection services:				
Purchased power	16,222	12,271	49,073	38,300
Transmission and distribution	6,018	5,448	12,321	10,376
Other	568	740	1,415	1,533
Total Interconnection Services	22,808	18,459	62,809	50,209
Administrative and general - Duke	7,626	7,110	14,435	13,955
Administrative and general - Agency	4,355	4,420	9,105	9,348
Excise taxes	423	578	977	1,138
Property tax	7,257	6,531	14,514	13,062
Debt service	21,280	21,249	42,560	42,555
Special funds deposits:				
Reserved for future costs fund	650	-	1,300	2,600
Reserve and contingency fund	19,062	18,780	44,027	44,120
Total Special Funds Deposits	19,712	18,780	45,327	46,720
Total Expenses	135,213	124,988	289,726	274,439
Net Position (decrease)	(15,061)	(3,687)	(48,824)	(28,897)
Net Position, beginning of quarter	137,197	154,488	170,960	179,698
Net Position, end of quarter	$122,136	$150,801	$122,136	$150,801

NCMPA1 Station Status

NOTE: 2026 Year-to-date (through June)



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

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.

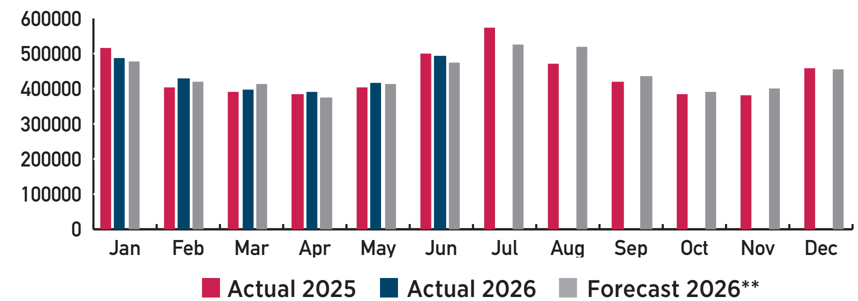
McGuire Unit 1 entered a forced outage on December 29, 2025 and was returned to service on January 5, 2026.

McGuire Unit 1 entered refueling outage on March 21st and returned to service on April 18, 2026.

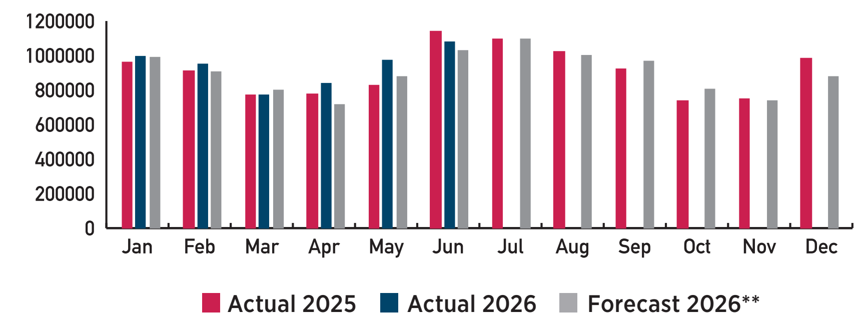
Catawba Unit 2 entered a forced outage condition on March 29th due to a coolant leak. The unit was returned to service on April 14, 2026.

Catawba Unit 1 entered refueling outage on April 18, 2026 and returned to service on May 13, 2026.

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 2026 data is from the NCMPA1 December 2025 Load Forecast.