

**Piedmont Municipal Power Agency  
First Quarter 2023 Report**

**Financial Summary**

First quarter of 2023 sales of electricity to Participants decreased by \$611 thousand (1.14%) when compared to the first quarter of 2022 sales. This decrease resulted from lower energy consumption due to milder temperatures when compared to the first quarter of 2022.

Sales of electricity to other utilities decreased by \$2.1 million (30.24%) in the first quarter of 2023 when compared to the same period in 2022. Surplus energy sold to third parties decreased by \$1.9 million due to less energy available for sale during the first quarter of 2023 when compared to the first quarter of 2022. Additionally, Sales of electricity to Duke for exchange energy decreased by approximately \$202 thousand during the first quarter of 2023 when compared to the first quarter of 2022.

Operating and maintenance costs decreased by \$1.3 million (19.38%) in the first quarter of 2023 when compared to the first quarter of 2022. This decrease was related to the timing of operating and maintenance costs associated with the Catawba Nuclear plant.

Purchased power costs increased by \$421 thousand (4.66%) in the first quarter of 2023 when compared to the first quarter of 2022, driven by an increase in supplemental energy purchases.

Administrative and general costs increased by \$614 thousand (21.96%) in the first quarter of 2023 when compared to the first quarter of 2022. This increase was primarily resulting from a decrease in the annual Nuclear Electric Insurance Limited ("NEIL") distribution.

Operating revenues were \$2.6 million lower than PMPA's budget, offset by operating costs of \$5.3 million under budget. Combined with interest income and miscellaneous expenses, the overall operating income for the first quarter exceeded PMPA's budget by \$2.7 million. Capital addition payments coupled with other transfers were \$484 thousand under budget. As a result, PMPA withdrew \$3.2 million less than budgeted from working capital for the first quarter of 2023.

**PIEDMONT MUNICIPAL POWER AGENCY**  
**Interim Statements of Net Position**  
**March 31, 2023 and 2022**  
**(UNAUDITED)**  
**(Dollars in thousands)**

	<b>2023</b>	<b>2022</b>
<b><u>Assets</u></b>		
Capital assets:		
Utility plant assets being depreciate	\$ 789,833	\$ 771,240
Accumulated depreciation and amortizatio	(411,113)	(402,016)
Total utility plant assets being depreciated, n	378,720	369,224
Utility plant assets not being depreciate	33,324	31,098
Total capital assets, ne	412,044	400,322
Current unrestricted assets:		
Cash	186	306
Marketable debt securitie:	69,156	83,745
Accrued interest receivabl	1	0
Participant accounts receivabl	16,553	16,411
Other accounts receivabl	333	1,397
Materials and supplie:	19,683	19,405
Total current unrestricted asset:	105,912	121,264
Current restricted assets		
Restricted for debt service	71,943	69,957
Restricted for decommissioning	116,059	107,585
Restricted for other (Supplemental Reserve	1,600	1,600
Total current restricted asset:	189,602	179,142
Total current assets:	295,514	300,406
Noncurrent assets:		
Net costs recoverable from future Participant billing	314,871	366,263
Other	48	78
Total other assets:	314,919	366,341
Total assets	\$ 1,022,477	\$ 1,067,069
Deferred outflows		
Redemption loss	\$ 5,548	\$ 6,372
Losses on advance refunding of debt, ne	9,298	13,187
Postemployment benefit:	463	576
Total deferred outflow:	\$ 15,309	\$ 20,135
<b><u>Liabilities</u></b>		
Long-term liabilities		
Bonds payable, ne	\$ 538,588	\$ 589,550
Reserve for decommissioning	145,821	138,772
Accrued expense OPEE	2,123	1,983
Total long-term liability:	686,532	730,305
Current liabilities		
Accounts payable and accrued liabilitie	4,342	3,319
Current liabilities payable from restricted asset:		
Accrued interest payabl	167,848	179,158
Current installments of bonds payabl	52,086	51,290
Total current liabilities payable from restricted asset	219,934	230,448
Total current liability:	224,276	233,767
Total liability:	\$ 910,808	\$ 964,072
<b><u>Net position</u></b>		
Net investments in capital asset:	\$ (169,332)	\$ (227,331)
Restricted for other:	1,600	1,600
Unrestricted	294,710	348,863
Total net positior	\$ 126,978	\$ 123,132

# PIEDMONT MUNICIPAL POWER AGENCY

## Interim Statements of Revenues, Expenses

### And Changes in Net Position

Quarters Ended March 31, 2023 and 2022

(UNAUDITED)

(Dollars in thousands)

	<u>2023</u>	<u>2022</u>
Operating Revenues:		
Sale of electricity to Participants	\$ 52,844	\$ 53,455
Sale of electricity to other utilities	4,749	6,808
Other	323	389
Total operating revenues	<u>57,916</u>	<u>60,652</u>
Operating Expenses:		
Operation and maintenance	5,556	6,892
Nuclear fuel amortization	3,416	3,559
Purchased power	9,454	9,033
Transmission	1,840	2,258
Power delivery	198	198
Administrative and general	3,410	2,796
Depreciation	2,390	2,395
Decommissioning	1,828	1,740
Payments in lieu of property taxes	2,102	2,062
Total operating expenses	<u>30,194</u>	<u>30,933</u>
Net operating income	<u>27,722</u>	<u>29,719</u>
Other Income (Expense):		
Interest income	1,151	380
Net change in fair market value of investments	2,431	(5,358)
Interest expense	(9,268)	(9,860)
Amortization expense	1,552	1,635
Other	(1,341)	(1,347)
Total other expenses, net	<u>(5,475)</u>	<u>(14,550)</u>
Revenues over expenses before change in net expenses recoverable from future Participant billings	22,247	15,169
Net decrease in net costs recoverable from future Participant billings	<u>(11,744)</u>	<u>(8,407)</u>
Revenues over expenses	<u>10,503</u>	<u>6,762</u>
Net position at beginning of period	116,475	116,370
Net position at end of period	<u>\$ 126,978</u>	<u>\$ 123,132</u>