

## **Piedmont Municipal Power Agency Second Quarter 2025 Report**

### **Financial Summary**

Sales of electricity to other utilities increased by \$1.2 million (32.49%) in the second quarter of 2025 when compared to the second quarter of 2024. This increase resulted from an increase in the rate received for sales, partially offset by less energy available to sell during the second quarter of 2025.

Operation and maintenance costs decreased by \$1.8 million (25.80%) in the second quarter of 2025 compared to the second quarter of 2024. This decrease was related to the timing of refueling outage costs associated with the Catawba Nuclear plant.

Operating revenues were \$1.1 million higher than PMPA's budget, and operating costs were \$952 thousand lower than PMPA's budget. Combined with interest income and miscellaneous expenses, the overall operating income for the second quarter was higher than PMPA's budget by \$2.3 million. Capital addition payments coupled with other transfers were \$501 thousand lower than the budget. As a result, PMPA added \$2.8 million more than budgeted to working capital for the second quarter of 2025.

**PIEDMONT MUNICIPAL POWER AGENCY**  
**INTERIM STATEMENTS OF NET POSITION**  
**QUARTERS ENDING JUNE 30, 2025 AND 2024**  
**(DOLLARS IN THOUSANDS)**  
**(UNAUDITED)**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Current Unrestricted Assets:		
Cash	\$ 6,437	\$ 552
Marketable debt securities	68,119	64,541
Participant accounts receivable	19,883	19,263
Other accounts receivable	547	250
Materials and supplies	20,348	20,127
Total Current Unrestricted Assets	<u>115,334</u>	<u>104,733</u>
Current Restricted Assets:		
Restricted investments for debt service	94,552	95,330
Restricted investments for decommissioning	143,520	130,780
Restricted investments for other	1,600	1,600
Total Current Restricted Assets	<u>239,672</u>	<u>227,710</u>
Total Current Assets	<u>355,006</u>	<u>332,443</u>
Noncurrent Assets:		
Capital assets, net*	431,923	418,506
Net costs recoverable from future Participant billings	207,069	255,540
Participant settlement receivable	45,400	45,400
Other	-	14
Total Noncurrent Assets	<u>684,392</u>	<u>719,460</u>
Total Assets	<u>\$ 1,039,398</u>	<u>\$ 1,051,903</u>
Deferred Outflows:		
Asset retirement obligation*	\$ 36,420	\$ 7,438
Redemption loss, net	3,900	4,577
Losses on advance refundings of debt, net	<u>4,220</u>	<u>5,724</u>
Total Deferred Outflows	<u>\$ 44,540</u>	<u>\$ 17,739</u>

**PIEDMONT MUNICIPAL POWER AGENCY**  
**INTERIM STATEMENTS OF NET POSITION**  
**QUARTERS ENDING JUNE 30, 2025 AND 2024**  
**(DOLLARS IN THOUSANDS)**  
**(UNAUDITED)**

<u>Liabilities</u>	<u>2025</u>	<u>2024</u>
Current Liabilities:		
Accounts payable and other accrued liabilities	\$ 9,615	\$ 8,851
Current Liabilities Payable from Restricted Assets:		
Accrued interest payable	191,634	177,994
Current installments of bonds payable	27,064	66,565
Total Current Liabilities Payable from Restricted Assets	<u>218,698</u>	<u>244,559</u>
Total Current Liabilities	<u>228,313</u>	<u>253,410</u>
Long-Term Liabilities:		
Bonds payable, net	475,378	509,636
Asset retirement obligation	185,636	149,266
Participant interest payable	150	-
Total other postemployment benefits	1,724	1,639
Total Long-Term Liabilities	<u>662,888</u>	<u>660,541</u>
Total Liabilities	<u>\$ 891,201</u>	<u>\$ 913,951</u>
Deferred Inflows:		
Postemployment benefits	<u>\$ 216</u>	<u>\$ 188</u>
 <u>Net Position</u>		
Net investment in capital assets*	\$ (14,069)	\$ (99,064)
Restricted for other	1,600	1,600
Unrestricted*	<u>204,990</u>	<u>252,967</u>
Total Net Position	<u>\$ 192,521</u>	<u>\$ 155,503</u>

\*In order to more accurately reflect the financial reporting presentation, certain reclassifications have been made to the 2024 financial statement presentation to correspond to the current year's format.

**PIEDMONT MUNICIPAL POWER AGENCY**  
**INTERIM STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**QUARTERS ENDED JUNE 30, 2025 AND 2024**  
**(DOLLAR IN THOUSANDS)**  
**(UNAUDITED)**

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Sales of electricity to Participants	\$ 56,049	\$ 55,925
Sales of electricity to other utilities	4,832	3,647
Other	401	416
Total operating revenues	<u>61,282</u>	<u>59,988</u>
Operating expenses:		
Operation and maintenance	5,306	7,151
Nuclear fuel amortization	3,555	2,928
Purchased power	11,889	11,844
Transmission	2,815	2,570
Power delivery	111	114
Administrative and general	4,033	3,801
Depreciation*	2,834	2,511
Asset retirement obligation accretion and amortization*	1,722	1,973
Payments in lieu of property taxes	2,531	2,593
Total operating expenses	<u>34,796</u>	<u>35,485</u>
Net operating income	<u>26,486</u>	<u>24,503</u>
Other nonoperating revenues and (expenses):		
Net decrease in net costs recoverable from future Participant billings	(11,770)	(11,990)
Interest income	2,481	2,263
Net change in fair market value of investments	1,122	432
Interest expense	(8,263)	(8,696)
Bond amortization	1,495	1,510
Other	(1,099)	(932)
Total other nonoperating revenues and expenses, net	<u>(16,034)</u>	<u>(17,413)</u>
Increase in net position	10,452	7,090
Net position at beginning of period	<u>182,069</u>	<u>148,413</u>
Net position at end of period	<u>\$ 192,521</u>	<u>\$ 155,503</u>

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**PIEDMONT MUNICIPAL POWER AGENCY**  
**INTERIM STATEMENTS OF CASH FLOWS**  
**QUARTERS ENDED JUNE 30, 2025 AND 2024**  
**(DOLLAR IN THOUSANDS)**  
**(UNAUDITED)**

	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Receipts from customers	\$ 58,863	\$ 61,137
Payments for operations and maintenance	(5,716)	(6,957)
Payments for purchased power, transmission, and power delivery	(17,346)	(17,121)
Payments for administration and general	1,780	280
Net cash from operating activities	<u>37,581</u>	<u>37,339</u>
<b>Cash flows from investing activities:</b>		
Purchase of investment securities	(120,594)	(106,422)
Proceeds from sales and maturities of investments	89,883	73,263
Interest received on investments	2,863	2,384
Net cash used in investing activities	<u>(27,848)</u>	<u>(30,775)</u>
<b>Cash flows from capital and related financing activities:</b>		
Interest rebate on bonds	308	307
Interest received on settlement debt	605	404
Proceeds from bond issuance	-	48,330
Participant settlement payment	-	(45,400)
Expenditures for utility plant in service	(2,051)	(4,999)
Expenditures for nuclear fuel	(911)	(4,970)
Payment to Duke Energy for other charges	(1,697)	(1,345)
Other	13	16
Net cash used in capital and related financing activities	<u>(3,733)</u>	<u>(7,657)</u>
Net change in cash	6,000	(1,093)
Cash, beginning of quarter	<u>437</u>	<u>1,645</u>
Cash, end of quarter	<u><u>\$ 6,437</u></u>	<u><u>\$ 552</u></u>
<b>Noncash investing and financing activities:</b>		
Loss on sale of investment	<u>\$ (234)</u>	<u>\$ (278)</u>
Amortization expense on discounts and premiums	<u>\$ 1,657</u>	<u>\$ 1,939</u>
Amortization of net redemption loss	<u>\$ (406)</u>	<u>\$ (684)</u>
Net change in fair market value of investments	<u><u>\$ 1,122</u></u>	<u><u>\$ 432</u></u>

**PIEDMONT MUNICIPAL POWER AGENCY  
INTERIM STATEMENTS OF CASH FLOWS  
QUARTERS ENDED JUNE 30, 2025 AND 2024  
(DOLLAR IN THOUSANDS)  
(UNAUDITED)**

	<u>2025</u>	<u>2024</u>
<b>Reconciliation of net operating income to net cash from operating activities:</b>		
Net operating income	\$ 26,486	\$ 24,503
Adjustments to reconcile net operating income to net cash from operating activities:		
Depreciation*	2,834	2,511
Nuclear fuel amortization	3,555	2,928
Asset retirement obligation accretion and amortization*	1,722	1,973
(Increase) decrease in:		
Participant accounts receivable	(3,184)	(3,262)
Other accounts receivable	765	4,411
Materials and supplies	(410)	194
(Decrease) in:		
Accounts payable and other accrued liabilities	5,813	4,081
Net cash from operating activities	<u>\$ 37,581</u>	<u>\$ 37,339</u>

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