Piedmont Municipal Power Agency
Third Quarter 2026 Report

Financial Summary

Sales of electricity to Participants increase by $3.7 million (6.2%) in the third quarter of 2026 when compared to the same period in 2025. This increase was driven by additional energy requirements due to higher than normal temperatures.

Operation and maintenance costs increased by $2.1 million (39.1%) in the third quarter of 2026 when compared to the same period in 2025. This increase was related to the timing of refueling outage costs associated with the Catawba Nuclear plant.

Purchased power costs increased by $4.6 million (27.2%) in the third quarter of 2026 when compared to the same period in 2025. This increase was driven by an increase in the quantity of supplemental energy purchased due to higher than normal temperatures.

Administrative and general costs increased $2.3 million (52.6%) in the third quarter of 2026 when compared to the same period in 2025. This increase was primarily driven by the true-up of the 2025 Duke A&G costs in 2026.

Other Non-Operating Expenses decreased $1.1 million (30.2%) in the third quarter of 2026 when compared to the same period in 2025. The third quarter of 2025 included a true-up of the 2024 Duke headquarter expenses, resulting in a decrease in expense when comparing the third quarter of 2026 and 2025.

Operating revenues were $3.4 million higher than PMPA's budget, and operating costs were $5.0 million higher than PMPA's budget. Combined with interest income and miscellaneous expenses, the overall operating income for the third quarter was lower than PMPA's budget by $2.7 million. Capital addition payments coupled with other transfers were $800 thousand lower than the budget. As a result, PMPA withdrew $1.9 million more than budgeted from working capital for the third quarter of 2026.

PIEDMONT MUNICIPAL POWER AGENCY
INTERIM STATEMENTS OF NET POSITION
QUARTERS ENDING SEPTEMBER 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)
(UNAUDITED)

	2026	2025
Assets		
Current Unrestricted Assets:		
Cash	$ 1,087	$ 570
Marketable debt securities	68,324	72,299
Participant accounts receivable	19,635	17,909
Other accounts receivable	578	167
Materials and supplies	20,959	21,315
Total Current Unrestricted Assets	110,583	112,260
Current Restricted Assets:		
Restricted investments for debt service	97,348	110,603
Restricted investments for decommissioning	148,902	145,722
Restricted investments for other	6,389	1,600
Total Current Restricted Assets	252,639	257,925
Total Current Assets	363,222	370,185
Noncurrent Assets:		
Depreciable capital assets, net	425,313	409,406
Non-depreciable capital assets	34,169	26,848
Net costs recoverable from future Participant billings	136,899	194,895
Participant settlement receivable	45,400	45,400
Total Noncurrent Assets	641,781	676,549
Total Assets	$ 1,005,003	$ 1,046,734
Deferred Outflows:		
Asset retirement obligation	$ 35,238	$ 36,184
Redemption losses, net	3,092	3,737
Losses on advance refundings of debt, net	3,087	3,976
Total Deferred Outflows	$ 41,417	$ 43,897

PIEDMONT MUNICIPAL POWER AGENCY
INTERIM STATEMENTS OF NET POSITION
QUARTERS ENDING SEPTEMBER 30, 2026 AND 2025
(DOLLARS IN THOUSANDS)
(UNAUDITED)

Liabilities	**2026**	**2025**
Current Liabilities:		
Accounts payable and other accrued liabilities	$ 13,984	$ 11,840
Current Liabilities Payable from Restricted Assets:		
Accrued interest payable	163,033	190,765
Current installments of bonds payable	37,397	27,064
Total Current Liabilities Payable from Restricted Assets	200,430	217,829
Total Current Liabilities	214,414	229,669
Long-Term Liabilities:		
Bonds payable, net	429,851	473,721
Asset retirement obligation	193,202	187,120
Participant interest payable	266	169
Total other postemployment benefits	2,018	1,724
Total Long-Term Liabilities	625,337	662,734
Total Liabilities	$ 839,751	$ 892,403
Deferred Inflows:		
Postemployment benefits	$ 68	$ 216
Net Position		
Net investment in capital assets	$ 46,742	$ (8,488)
Restricted for other	6,389	1,600
Unrestricted	153,470	204,900
Total Net Position	$ 206,601	$ 198,012

PIEDMONT MUNICIPAL POWER AGENCY

INTERIM STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

QUARTERS ENDED SEPTEMBER, 2026 AND 2025

(DOLLAR IN THOUSANDS)

(UNAUDITED)

	2026	2025
Operating Revenues:		
Sales of electricity to Participants	$ 64,057	$ 60,310
Sales of electricity to other utilities	3,497	3,394
Other	464	445
Total Operating Revenues	68,018	64,149
Operating Expenses:		
Operation and maintenance	7,399	5,321
Nuclear fuel amortization	3,769	3,022
Purchased power	21,427	16,848
Transmission	2,894	2,919
Power delivery	121	111
Administrative and general	6,671	4,372
Depreciation	2,573	2,330
Asset retirement obligation accretion and amortization	1,769	1,721
Payments in lieu of property taxes	2,501	2,529
Total Operating Expenses	49,124	39,173
Net Operating Income	18,894	24,976
Other Nonoperating Revenues and (Expenses):		
Net decrease in net costs recoverable from future Participant billings	(15,216)	(12,173)
Interest income	2,869	2,854
Net change in fair market value of investments	(3,419)	600
Interest expense	(7,904)	(8,676)
Bond amortization	1,444	1,495
Other	(2,501)	(3,585)
Total Other Nonoperating Revenues and Expenses, net	(24,727)	(19,485)
Increase in net position	(5,833)	5,491
Net position at beginning of period	212,434	192,521
Net position at end of period	$ 206,601	$ 198,012

PIEDMONT MUNICIPAL POWER AGENCY
INTERIM STATEMENTS OF CASH FLOWS
QUARTERS ENDED SEPTEMBER 30, 2026 AND 2025
(DOLLAR IN THOUSANDS)
(UNAUDITED)

	2026	2025
Cash flows from operating activities:		
Receipts from customers	$ 67,737	$ 66,503
Payments for operations and maintenance	(6,930)	(6,288)
Payments for purchased power, transmission, and power delivery	(26,943)	(22,407)
Payments for administration and general	(1,631)	(2,147)
Net cash from operating activities	32,233	35,661
Cash flows used in investing activities:		
Purchase of investment securities	(110,585)	(113,235)
Proceeds from sales and maturities of investments	98,449	91,530
Interest received on investments	2,449	2,726
Net cash used in investing activities	(9,687)	(18,979)
Cash flows used in capital and related financing activities:		
Interest payment on bonds	(9,079)	(9,301)
Interest received on settlement debt	605	605
Expenditures for utility plant in service	(8,158)	(2,453)
Expenditures for nuclear fuel	(1,977)	(7,230)
Payment to Duke Energy for other charges	(3,095)	(4,230)
Other	15	60
Net cash used in capital and related financing activities	(21,689)	(22,549)
Net change in cash	857	(5,867)
Cash, beginning of quarter	230	6,437
Cash, end of quarter	$ 1,087	$ 570
Noncash investing and financing activities:		
Loss on sale of investment	$ (77)	$ (132)
Amortization expense on discounts and premiums	$ 1,605	$ 1,657
Amortization of net redemption loss	$ (376)	$ (407)
Net change in fair market value of investments	$ (3,419)	$ 600

PIEDMONT MUNICIPAL POWER AGENCY
INTERIM STATEMENTS OF CASH FLOWS
QUARTERS ENDED SEPTEMBER 30, 2026 AND 2025
(DOLLAR IN THOUSANDS)
(UNAUDITED)

	2026	2025
Reconciliation of net operating income to net cash from operating activities:		
Net operating income	$ 18,894	$ 24,976
Adjustments to reconcile net operating income to net cash from operating activities:		
Depreciation	2,573	2,330
Nuclear fuel amortization	3,769	3,022
Asset retirement obligation accretion and amortization	1,769	1,721
(Increase) decrease in:		
Participant accounts receivable	(287)	1,974
Other accounts receivable	6	380
Materials and supplies	469	(967)
Increase in:		
Accounts payable and other accrued liabilities	5,040	2,225
Net cash from operating activities	$ 32,233	$ 35,661