



ElectriCities and North Carolina Municipal Power Agency Number 1

Pineville Town Council
May 12, 2026



Three Types of Electric Utilities



PUBLIC POWER UTILITIES

BUSINESS MODEL

Not for profit, Community-owned

FEDERAL ENERGY REGULATORY COMMISSION JURISDICTIONS

Only for interstate transmission

REGULATED BY STATE PUBLIC UTILITY COMMISSION

Very limited instances

GOVERNED BY

Elected/appointed boards, mayors, city council members and citizens

FINANCIAL CONTRIBUTION TO LOCAL GOVERNMENT

Exempt from most taxes; instead make payments in lieu of taxes or transfers to the general fund

CAN RAISE FUNDS THROUGH

Tax-exempt municipal bonds



RURAL ELECTRIC COOPERATIVES

Not for profit, Member-owned

Only for interstate transmission

Some

Member-elected boards

May neither pay taxes nor other contributions to local government

Loans from the Dept of Agriculture's Rural Utilities Service or cooperative or private lenders



INVESTOR-OWNED UTILITIES

For profit, Shareholder owned

For wholesale rates

All

Private boards

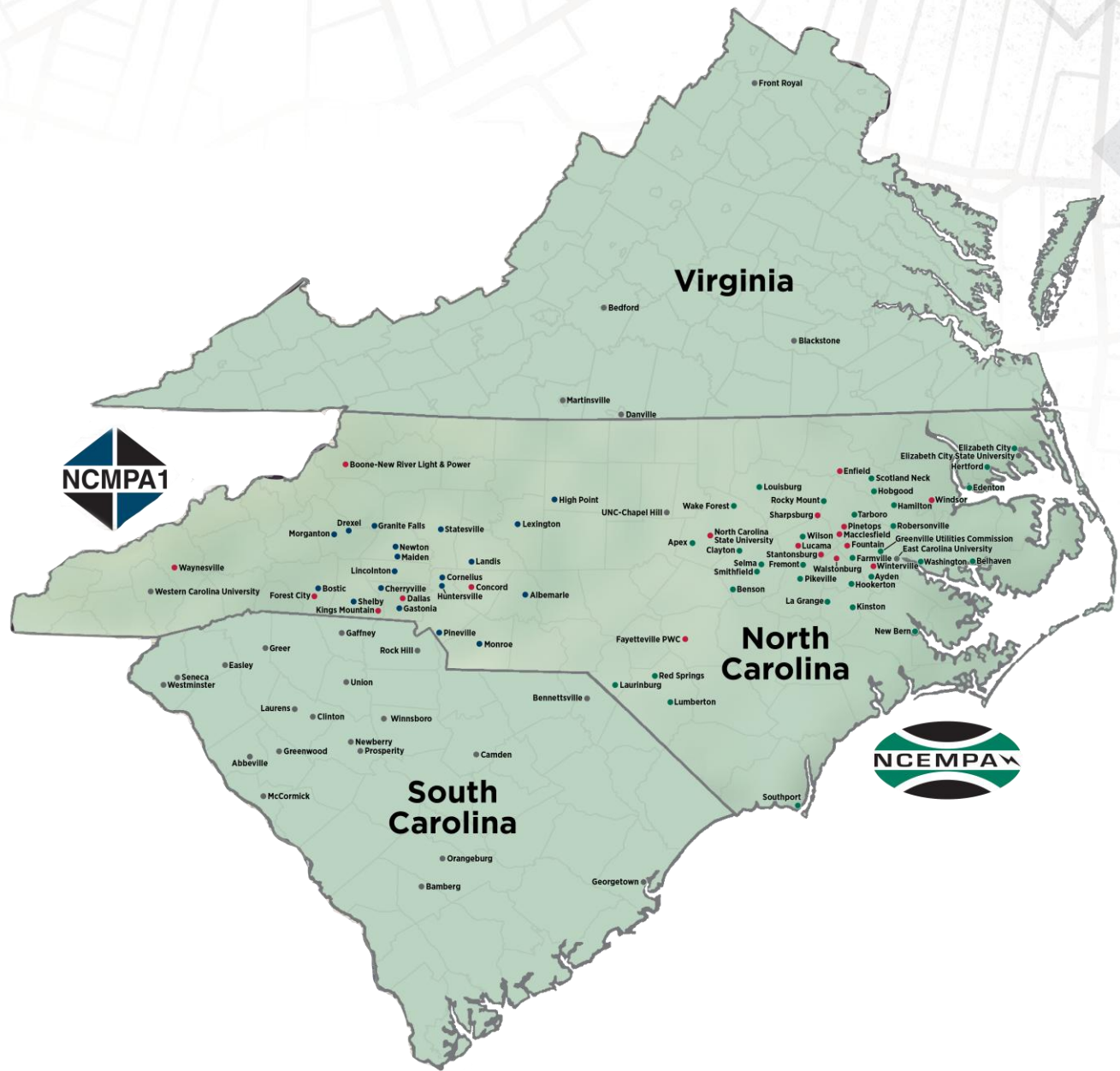
Pay taxes to local government

Stock issue or corporate debt

Public Power's Purpose

Deliver value to our communities and customers through collective strength, knowledge, and action while promoting a successful future.

Public power illuminates the homes and workplaces of nearly **1.6M people** in North Carolina.



Power Agencies Are Formed

Energy Crisis Brought Together Utilities and Cities

- Cities wanted greater reliability and control over costs.
- Utilities needed help to finance new power plants.

The Best Solution at the Time: Cities Granted Permission to Own Generation

- Legislation passed unanimously in 1975.
- Constitutional amendment passed in 1977.

Who Supported the Idea?

- Governor
- Legislators
- City officials
- Voters



NCMPA1: Catawba Nuclear Station

- The Catawba plant, which consists of two identical units, is jointly owned by NCMPA1, Duke, Piedmont Municipal Power Agency (S.C.), and North Carolina Electric Membership Corporation.
- NCMPA1 owns 75% of Catawba Unit 2.
- Through contractual arrangements, the owners share both units at the plant.
- In 2023, NCMPA1 entered into a long-term power purchase agreement with Central Electric Power Cooperative for 18% of NCMPA1's share effective Jan. 1, 2024.
- NCMPA1 owns the largest share of the Catawba plant.
 - NCMPA1 37.500%
 - NCEMC 30.754%
 - Duke 19.246%
 - PMPA 12.500%

Nuclear Regulatory Commission issued license extensions on Dec. 5, 2003, for both Catawba and McGuire nuclear plants. In the early 2030s, Duke will pursue a subsequent 20-year license extension.



License Expiration

Catawba 1
12/5/43

Catawba 2
12/5/43

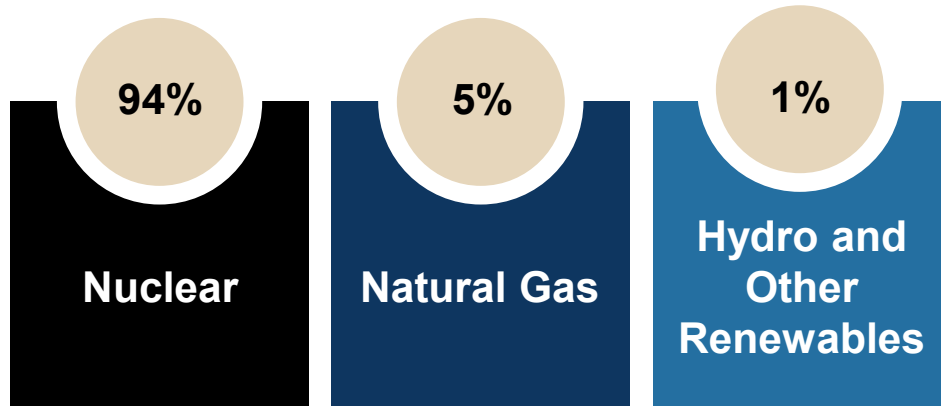
McGuire 1
6/12/41

McGuire 2
3/3/43

NCMPA1 2026 Energy Resource Mix

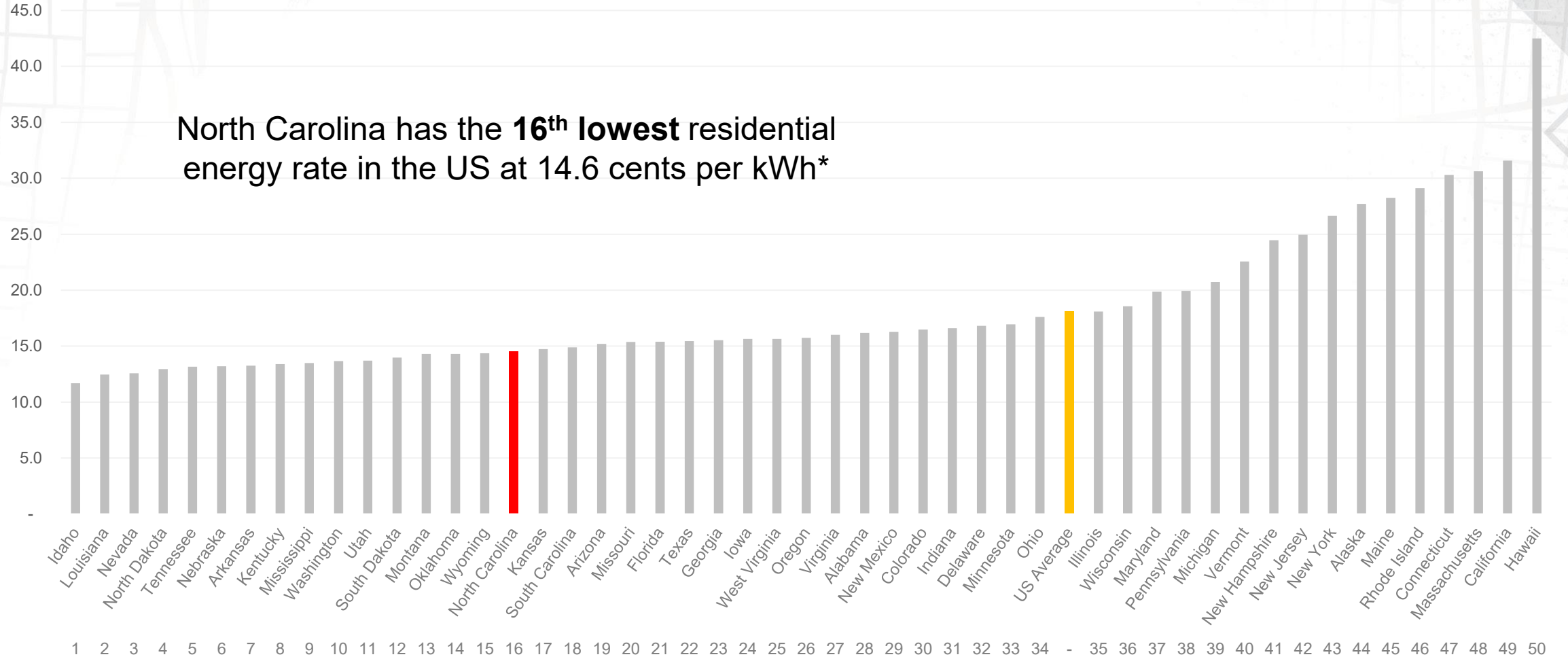


*19 cities and towns in piedmont
and western North Carolina*



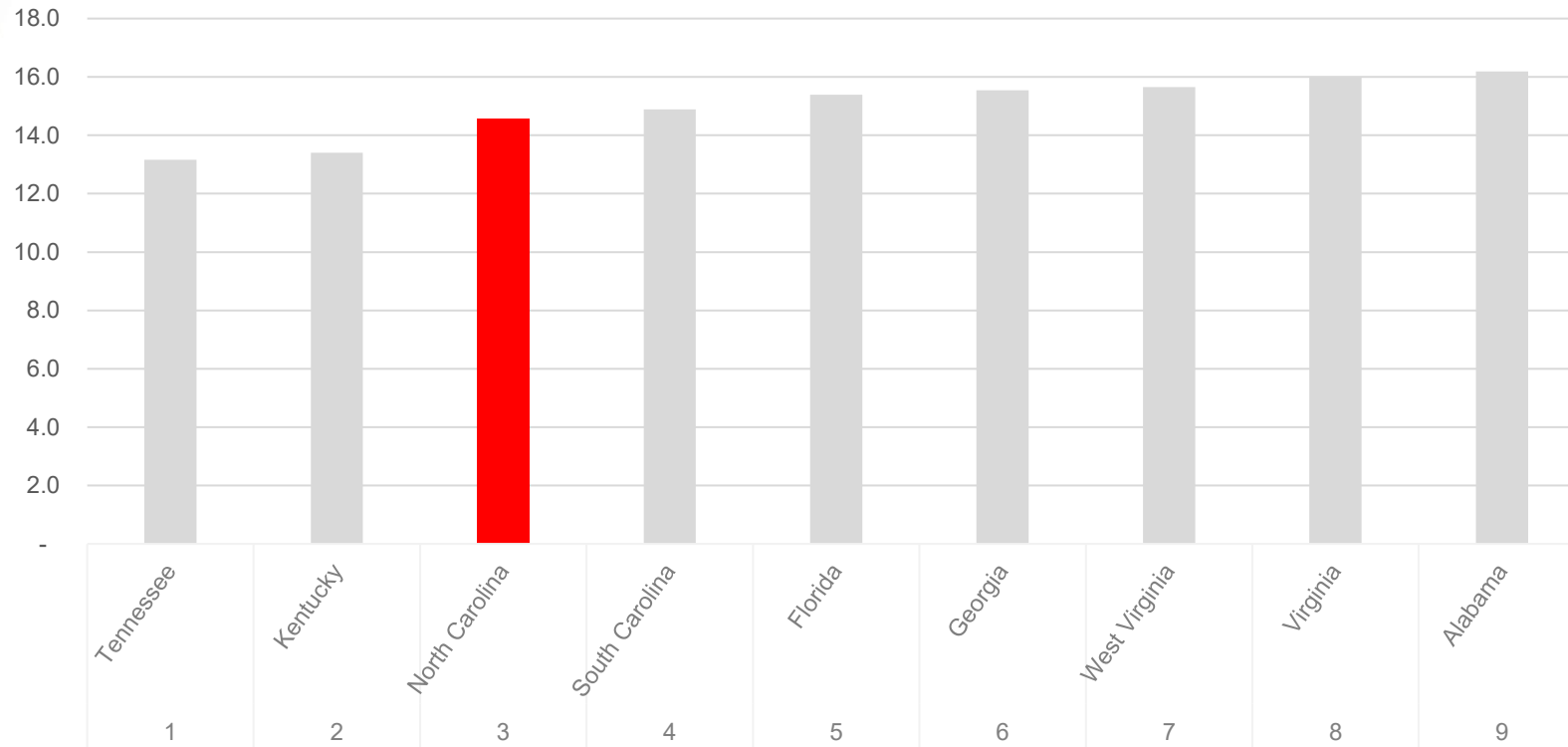
MORE THAN
94%
of the electricity
NCMPA1
PROVIDES IS FROM
EMISSIONS-FREE
generation sources

National Residential Rates



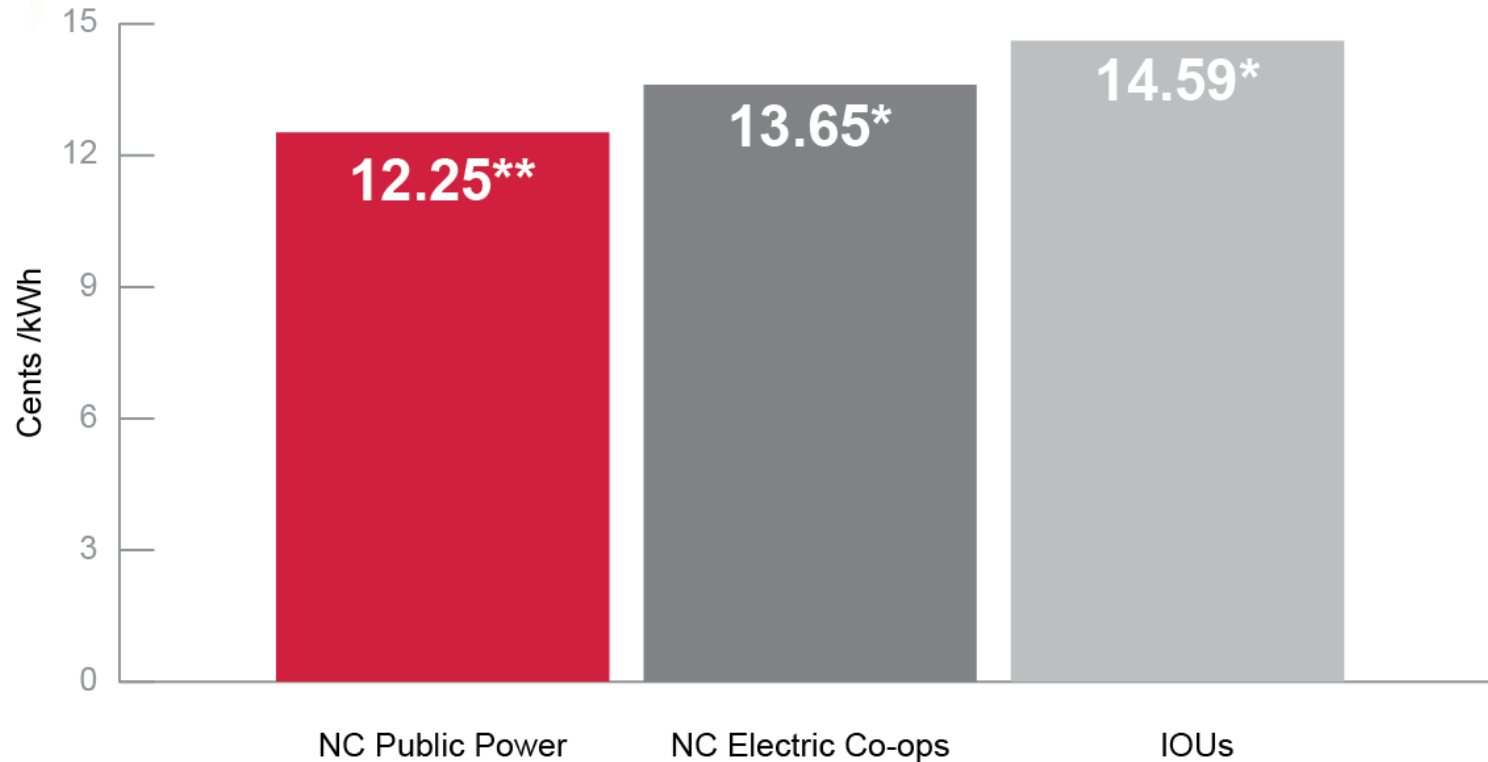
Regional Residential Rates

North Carolina has the **3rd lowest** residential energy rate in the Southeast at 14.6 cents per kWh*



Public Power is Affordable Power

All 19 NCMPA1 and 31 of 32 NCEMPA members are the **lowest cost providers** in their areas



* 2024 EIA-861

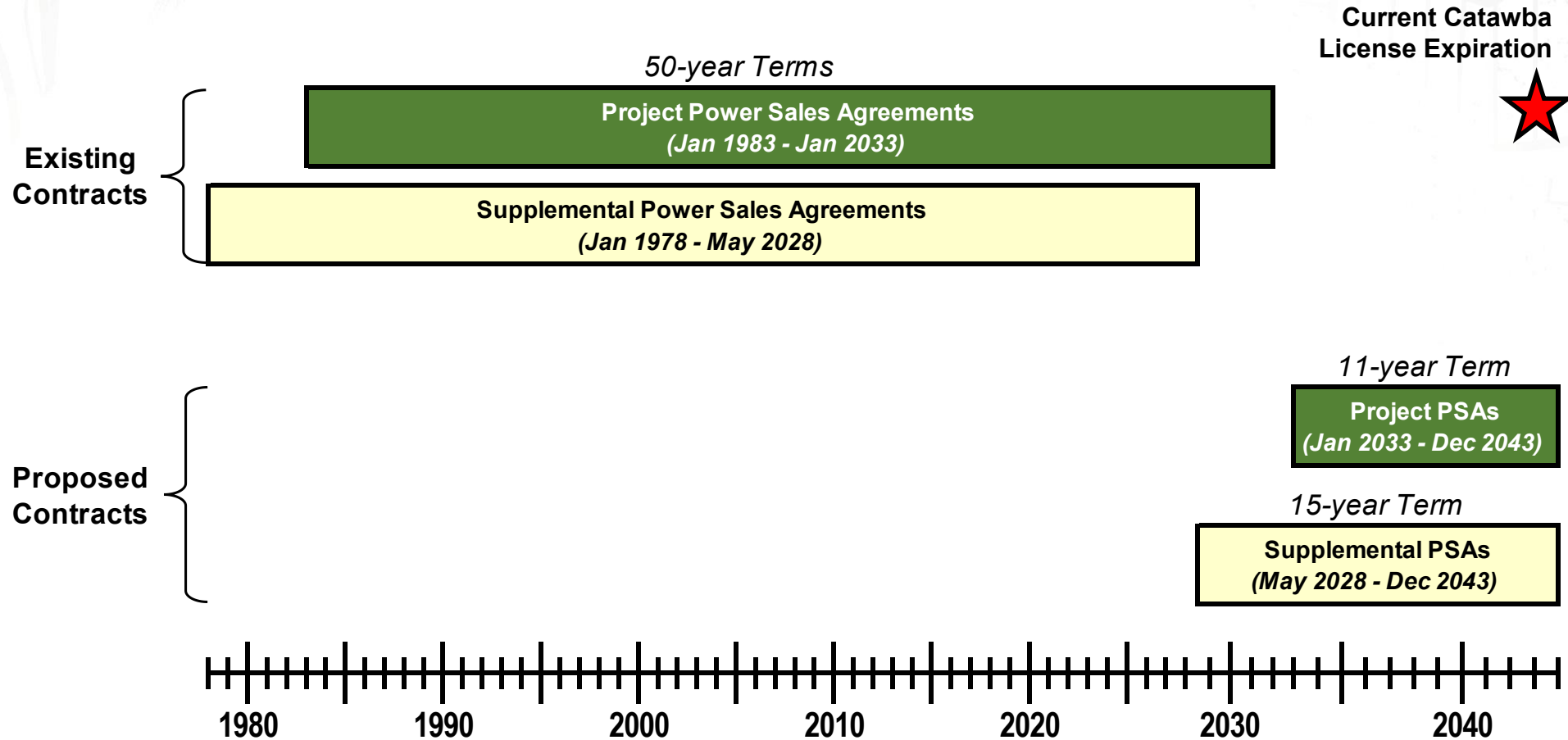
**Based on data for public power utilities gathered by ElectriCities. It includes rate class-level revenue and usage data that includes short form filers.

Recent NCMPA1 Activities

- North Carolina General Assembly passed legislation last year to allow the 19 NCMPA1 municipalities to enter into subsequent contracts for another 50 years.
- Currently presenting contracts that will extend through 2043 to align with the current operating license at Catawba.
- Anticipate having contract approvals completed by the end of Q2 2026.



Contract Timelines



Requesting Approval of Two Agreements

- Project Power Sales Agreement: Extending the primary wholesale power supply relationship through 2043 (matching the current operating license of the Catawba Nuclear Plant)
- Supplemental Power Sales Agreement: Extending through 2043 as well to provide additional resources
- Our confidential analysis, shared previously in closed session, suggests significant value to Pineville customers




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