2019 Third Quarter Report

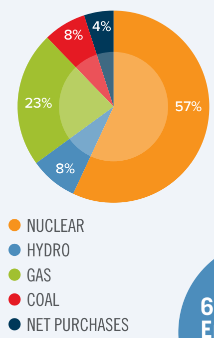
SUMMARY OF SELECTED FINANCIAL AND OPERATING DATA

(Dollars in thousands) Nine months ended or as of September 30,	2019	2018	2017
Total revenues	**$ 489,382**	$ 490,292	$ 466,573
Total assets and deferred outflows of resources	**$ 11,188,700**	$8,910,086	$9,017,709
Weighted average interest cost (1)	**4.24%**	4.11%	4.09%
Total cost to MEAG Power Participants (cents per kWh) (2)	**6.66**	6.59	6.63
Peak demand (MW)	**2,020**	1,904	1,884

(1) Excludes the impact of certain net non-operating expense components such as receipts and payments pertaining to interest rate swap agreements, amortization of debt discount and expense, investment income, the net change in the fair value of financial instruments and interest capitalized. The rate is net of subsidies on Build America Bonds.

(2) For the nine months ended September 30, 2018 and 2017, funds from the Municipal Competitive Trust were applied to lower the Participants' generation billings.

DELIVERED ENERGY BY SOURCE
through September 30, 2019



65% Clean/ Emissions-Free through Sept. 30, 2019

NINE MONTHS' PERFORMANCE

Revenue and Expense Analysis

Revenues: For the nine months ended September 30, 2019 (YTD 2019), total revenues were $489.4 million compared with revenues of $490.3 million for the same period in 2018 (YTD 2018). Participant revenues decreased $14.4 million, while other revenues increased $13.5 million.

Participant revenues decreased due mainly to changes in fair value (see "Non-operating expense (income), net"), which was partially offset by an increase in Participant billings for certain operating expenses, mainly fuel, as discussed below. Also, fund transfers from the Municipal Competitive Trust, which were applied to lower Participants' generation billings (Competitive Trust Funding) during YTD 2018, did not apply to YTD 2019 billings, resulting in a $15.2 million increase in Participant revenues.

The increase in other revenues was primarily due to increases of $8.6 million in Pseudo Scheduling and Services Agreement (PSSA) energy sales and $3.5 million pertaining to billings under the Vogtle Units 3&4 Power Purchase Agreements.

Operating expenses: YTD 2019 operating expenses increased 4.8% to $454.7 million, compared with $433.8 million in YTD 2018 primarily due to these components:

- Total fuel expense increased $28.0 million due primarily to the following factors impacting natural gas expense:
  - A significant increase in generation from the Combined Cycle Facility, mainly due to reduced outage time and lower gas prices.
  - Minimal margins on delivered gas sales in YTD 2019 due to warmer winter weather, in contrast to YTD 2018 when unusually cold winter weather resulted in significant margins on these sales.
- A $4.2 million decrease in purchased power expense was primarily related to the decrease in outage time.
- Other generation and operating expense decreased $10.9 million mainly due to the decrease in outage time which, along with lower gas prices, also resulted in a reduction in PSSA purchases.
- Depreciation and amortization increased $5.5 million primarily due to accretion of asset retirement obligations.

Non-operating expense (income), net: Net non-operating expense, which includes interest expense and other related components such as amortization of debt discount and expense, investment income, net change in the fair value of financial instruments, interest capitalized and subsidy on Build America Bonds, totaled $19.4 million for YTD 2019. This 69.8% decrease from the total of $64.3 million for YTD 2018 was due primarily to changes in these components of net non-operating expense:

- Investment income increased $14.3 million due primarily to sales of certain securities at a gain and significantly higher investment balances.
- An increase of $34.3 million in the fair value of financial instruments was mainly due to a rally in intermediate–term bonds during YTD 2019, in comparison with YTD 2018, and a strong performance in equity securities held in the decommissioning trust account.
- Interest capitalized increased $17.6 million due primarily to additional investment in Vogtle Units 3&4.
- An increase of $16.7 million in interest expense was mainly due to July 2019 and December 2018 bond issuances, as well as an increase in advances under U.S. Department of Energy (DOE) Guaranteed Loans, which were partially offset by refinancing of certain higher-cost fixed-rate debt.

The weighted average interest rate of MEAG Power's debt was 4.24% and 4.11% for YTD 2019 and YTD 2018, respectively, with the increase primarily due to higher variable rates during YTD 2019 related to 2018 Federal Reserve Bank rate increases. In addition, a portion of variable-rate debt was converted to higher-cost fixed-rate debt during the fourth quarter of 2018. These factors were partially offset by additional lower-cost fixed-rate advances under DOE Guaranteed Loans during YTD 2019.

Operations

Energy delivered to MEAG Power Participants during YTD 2019 slightly increased from YTD 2018 due mainly to above-average spring and summer temperatures. Total power cost to the Participants, including hydro energy purchased from the Southeastern Power Administration (SEPA), was 6.66 cents/kilowatt-hour (kWh) for YTD 2019, compared with 6.59 cents/kWh for YTD 2018. The increase was mainly related to the change in Competitive Trust Funding (see "Revenues") and higher Participant billings for fuel (see "Operating expenses"). These factors were partially offset by a reduction in SEPA charges.

Key Recent Developments Pertaining to Vogtle Units 3&4

Key recent developments pertaining to Vogtle Units 3&4 are outlined below. For additional information and definitions of certain terms, see MEAG Power's 2018 Annual Information Statement.

- GPSC staff has provided their review of a cost and schedule validation process performed by Southern Nuclear. The report indicates that although the staff agreed with the methods used for the validation process, GPSC staff does not believe that the aggressive schedule is achievable, and staff believes the November 2021 and 2022 dates will be a challenge to achieve. In addition, the report does indicate staff's belief the cost forecast is achievable based on the substantial contingency included in the forecast.
- On August 30, 2019, GPC filed with the GPSC its twentieth VCM report concurrently with its twenty-first VCM report, which reflects the capital cost forecast provided in the VCM 19 Report and affirms the GPSC-approved in-service dates of November 2021 and November 2022 for Vogtle Unit No. 3 and Vogtle Unit No. 4, respectively.
- On November 4, 2019, JEA and the City of Jacksonville filed a Motion for Summary Judgment (JEA's Motion) in the U.S. District Court – Georgia requesting the court to rule on the legal arguments pertaining to the enforceability of the Project J PPA. On November 8, 2019, the U.S. District Court – Georgia dismissed JEA's Motion and ordered that it be stricken from the record because it was filed without authorization of the U.S. District Court – Georgia and in contravention of the Joint Report and Scheduling Order pertinent to this case.

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

(In thousands)	September 30, 2019								Sept. 30, 2018[1]
	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Telecom Project	Eliminations	**Total**	Total
Assets and Deferred Outflows of Resources									
Property, plant and equipment, net	$1,833,042	$ 690,241	$186,822	$3,591,034	$ –	$3,870	$ –	**$6,305,009**	$5,478,861
Other non-current assets	640,204	162,020	43,192	2,671,652	310,077	–	(89,345)	**3,737,800**	2,441,323
Current assets	332,010	122,530	56,472	59,185	311,465	604	(17,654)	**864,612**	760,107
Deferred outflows of resources	194,768	77,546	8,112	853	–	–	–	**281,279**	229,795
Total Assets and Deferred Outflows of Resources	$3,000,024	$1,052,337	$294,598	$6,322,724	$621,542	$4,474	$(106,999)	**$11,188,700**	$8,910,086
Liabilities and Deferred Inflows of Resources									
Long-term debt	$1,643,979	$ 417,664	$ 149,381	$6,067,508	$ –	$ –	$ (89,345)	**$ 8,189,187**	$6,326,218
Non-current liabilities	588,585	135,017	391	(1,223)	250,638	–	–	**973,408**	841,096
Current liabilities	274,363	116,699	32,844	255,942	370,904	184	(17,654)	**1,033,282**	916,904
Deferred inflows of resources	493,097	382,957	111,982	497	–	4,290	–	**992,823**	825,868
Total Liabilities and Deferred Inflows of Resources	$3,000,024	$1,052,337	$294,598	$6,322,724	$621,542	$4,474	$(106,999)	**$11,188,700**	$8,910,086

CONDENSED CONSOLIDATED STATEMENT OF NET REVENUES (UNAUDITED)

(In thousands)	Nine months ended September 30, 2019								Nine months ended Sept. 30, 2018
	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Telecom Project	Eliminations	**Total**	Total
Revenues:									
Participant[2]	$232,209	$72,717	$63,746	$ 8,635	$ –	$601	$ –	**$377,908**	$392,345
Other	48,620	40,375	7,514	14,888	–	77	–	**111,474**	97,947
Total revenues	280,829	113,092	71,260	23,523	–	678	–	**489,382**	490,292
Operating expenses	279,855	106,673	67,416	–	33	686	–	**454,663**	433,800
Net operating revenues (loss)	974	6,419	3,844	23,523	(33)	(8)	–	**34,719**	56,492
Non-operating expense (income), net	974	6,419	3,844	8,230	(56)	(8)	–	**19,403**	64,306
Change in net costs to be recovered from Participants or Competitive Trust obligations	–	–	–	15,293	23	–	–	**15,316**	(7,814)
Net Revenues	$ –	$ –	$ –	$ –	$ –	$ –	$ –	**$ –**	$ –

(1) Certain prior year amounts have been reclassified to conform to the current year presentation with no impact on net revenues.

(2) Net of over-recovery of $34.6 million and $24.2 million for the nine months ended September 30, 2019 and 2018, respectively. These amounts are included in current liabilities and may not be indicative of future results.

These condensed consolidated financial statements, which include the accounts of the Power Revenue Bond Resolution (Project One), the General Power Revenue Bond Resolution (General Resolution Projects), the Combined Cycle Project Bond Resolution (Combined Cycle Project), the Vogtle Units 3&4 Projects and Project Entities, the Municipal Competitive Trust and the Telecommunications Project (Telecom Project), should be read in conjunction with MEAG Power's 2018 audited financial statements.

THE MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA

MEAG Power is a nonprofit entity that was created by the Georgia General Assembly in 1975 to generate and transmit reliable, competitively priced wholesale electric power to 49 Participant communities throughout the state. These communities have access to MEAG Power's multibillion-dollar resources, including some of the lowest-cost, emissions-free energy in the region, as well as one of the most diversified fuel portfolios. MEAG Power operates in one of the largest and fastest-growing regions in the United States because of Georgia's attractive logistics, pro-business environment and talented workforce.