2020 First Quarter Report

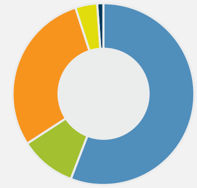
SUMMARY OF SELECTED FINANCIAL AND OPERATING DATA

(Dollars in thousands) Three months ended or as of March 31,	2020	2019	2018
Total revenues	**$ 198,003**	$ 149,192	$ 159,635
Total assets and deferred outflows of resources	**$11,028,547**	$9,321,382	$8,950,054
Weighted average interest cost [1]	**4.23%**	4.28%	4.17%
Total cost to MEAG Power Participants (cents per kWh) [2]	**7.39**	7.74	6.81
Peak demand (MW)	**1,709**	1,721	1,859

[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 three months ended March 31, 2018, funds from the Municipal Competitive Trust were applied to lower the Participants' generation billings.

DELIVERED ENERGY BY SOURCE
through March 31, 2020



- 56% Nuclear
- 10% Hydro
- 29% Gas
- 4% Net Purchases
- 1% Coal

Mix of Delivered Energy
through March 31, 2020

Emissions-free	66%
Fossil	34%
Total	100%

FIRST THREE MONTHS' PERFORMANCE

Revenue and Expense Analysis

Revenues: For the three months ended March 31, 2020 (YTD 2020), total revenues were $198.0 million compared with $149.2 million for the same period in 2019 (YTD 2019). Participant revenues increased $58.7 million, while other revenues decreased $9.9 million.

Participant revenues increased due mainly to changes in fair value (see "Non-operating expense (income), net"), which were partially offset by a decrease in Participant billings for certain operating expenses, mainly fuel, as discussed below.

The decrease in other revenues was primarily due to decreases of $10.8 million in Pseudo Scheduling and Services Agreement energy sales and $2.3 million in off-system energy sales, which were partially offset by a $3.2 million increase in debt service billings under the Vogtle Units 3&4 Power Purchase Agreements.

Operating expenses: YTD 2020 operating expenses decreased 7.1% to $140.6 million, compared with $151.4 million for YTD 2019 primarily related to these components:

- Total fuel expense decreased $14.4 million due primarily to a $16.3 million decrease in coal expense, which was partially offset by a $2.2 million increase in natural gas expense. Coal expense decreased due to a significant reduction in generation. The increase in natural gas expense was due to a 57.3% increase in generation from the Wansley Combined Cycle Facility (Wansley CC Unit) attributable to a combination of lower gas pricing and higher unit availability.
- Depreciation and amortization increased $4.5 million primarily due to changes in depreciation rates.
- A $4.5 million decrease in purchased power expense was mainly attributable to increased utilization of the Wansley CC Unit and lower pricing.

Non-operating expense (income), net: YTD 2020 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 $47.8 million, compared with $(8.2) million of net non-operating income in YTD 2019. This $56.0 million variance was primarily due to changes in the following components:

- A decrease of $52.2 million in the fair value of financial instruments was mainly due to a significant pullback in the value of equity securities held in the decommissioning trust account, due to the impact of the COVID-19 pandemic on the financial markets during YTD 2020.
- Interest expense increased $11.2 million due mainly to 2019 bond issuances for the Vogtle Units 3&4 Projects, as well as Project One and the General Resolution Projects.
- Interest capitalized increased $6.0 million mainly due to additional capital investment in Vogtle Units 3&4.

The weighted average interest rate of MEAG Power's debt was 4.23% and 4.28% for YTD 2020 and YTD 2019, respectively, with the decrease primarily due to a significant decline in variable interest rates, which offset a slight uptick in the average fixed interest rate.

Operations

During YTD 2020, energy delivered to MEAG Power Participants increased slightly from YTD 2019 due mainly to new customer Participant loads, which were partially offset by warmer winter weather and minimal impacts of COVID-19. Total power cost to the Participants, including hydro energy purchased from the Southeastern Power Administration, was 7.39 cents/kilowatt-hour (kWh) for YTD 2020, compared with 7.74 cents/kWh for YTD 2019. The decrease was primarily related to lower Participant billings for fuel (see "Operating expenses").

Key Recent Developments Pertaining to Vogtle Units 3&4

The following updates information previously disclosed in MEAG Power's 2019 Annual Report and 2019 Annual Information Statement. For additional information and definitions of certain terms, see MEAG Power's 2019 Annual Information Statement.

Litigation: On July 30, 2020, JEA, the City of Jacksonville, and MEAG Power approved a settlement of all disputed issues relating to Vogtle Units 3&4, and the Amended and Restated Power Purchase Agreement (the Project J PPA).

Terms of the settlement include JEA and the City of Jacksonville dismissing their civil action against MEAG Power currently pending in U.S. District Court, and MEAG Power dismissing its lawsuits against JEA currently pending in U.S. District Court and the U.S. Court of Appeals. Further, JEA, the City of Jacksonville and MEAG Power agree to accept without challenge or appeal the Order entered by the U.S. District Court judge dated June 17, 2020 (Court's Order), including without limitation the determination that the Project J PPA is Valid and Enforceable. Terms also include certain provisions that will create additional future value to both JEA and MEAG Power.

Cost, Schedule and Other Matters: MEAG Power expects that, based on the construction cost estimate set forth in the VCM 22 Report, as well as recently updated construction cost estimate and contingency information discussed herein, and the current GPSC-approved in-service dates of November 2021 and November 2022 for Vogtle Unit 3 and Vogtle Unit 4, respectively, the Vogtle Units 3&4 Project Entities' (Project Entities) estimated in-service cost will be, in the aggregate, approximately $6.4 billion, including construction and financing costs through the estimated in-service dates, contingencies, initial fuel load costs and switchyard and transmission costs. Additional financing needs relating to required reserve funds and other fund deposits result in total financing needs of approximately $6.9 billion, of which approximately $113.2 million remains to be financed in the public markets and a total of $424.3 million is expected to be drawn from the DOE Guaranteed Loans in 2020 and 2021. These estimates include the Project Entities' share of construction contingency assigned in excess of available contingency and additional project contingency which total approximately $74 million, as outlined in the following paragraph. Estimated financing costs and related reserve deposits associated with funding these additional construction and contingency costs total approximately $11 million.

During the second quarter 2020, the Project Entities assigned approximately $96 million of construction contingency to the base capital cost forecast for cost risks including, among other things, construction productivity, including the April 2020 reduction in workforce designed to mitigate impacts of the COVID-19 pandemic described below, field support, subcontracts, engineering resources, and procurement. The second quarter 2020 assignment of contingency exceeded the remaining balance of the Project Entities' construction contingency by approximately $17 million. Through June 30, 2020, assignments of contingency for cost risks also have included, among other factors, construction productivity; craft labor incentives; adding resources for supervision, field support, project management, initial test program, start-up, and operations and engineering support; subcontracts; and procurement. As a result of these factors, Southern Nuclear recommended establishing additional construction contingency totaling $250 million, of which the Project Entities' share is approximately $57 million, for further potential risks including, among other factors, construction productivity and expected impacts of the COVID-19 pandemic; adding resources for supervision, field support, project management, initial test program, start-up, and operations and engineering support; subcontracts; and procurement.

The April 2020 workforce reduction did reduce absenteeism, providing an improvement in operational efficiency and allowing for increased social distancing. From the initial peak in April 2020, the number of active cases at the site declined significantly during May and early June, but began increasing again in mid-June and continues to impact productivity levels and pace of activity completion. As a result of these factors, overall production improvements have not been achieved at the levels anticipated, contributing to the allocation of, and increase in, construction contingency described above. Through mid-July 2020, Vogtle Unit 3 mechanical, electrical, and subcontract activities continued to build a backlog to Southern Nuclear's February 2020 aggressive site work plan.

To address these issues, in July 2020, Southern Nuclear updated its aggressive site work plan for Vogtle Units 3&4. To meet the targets in the July 2020 aggressive site work plan, absenteeism rates must continue to normalize and overall construction productivity and production levels, including subcontractors, must significantly improve and be sustained above pre-pandemic levels. In addition, appropriate levels of craft laborers, particularly electrical and pipefitter craft labor, must be added and maintained. While Southern Nuclear's July 2020 aggressive site work plan extended milestone dates from the February 2020 aggressive site work plan, Georgia Power Company (GPC) still expects to achieve the regulatory-approved in-service dates of November 2021 and November 2022 for Vogtle Unit 3 and Vogtle Unit 4, respectively. Southern Nuclear and GPC continue to believe that pursuit of an aggressive site work plan is an appropriate strategy to achieve completion of the units by their regulatory-approved in-service dates.

The continuing effects of the COVID-19 pandemic could further disrupt or delay construction, testing, supervisory, and support activities at Vogtle Units 3&4. The estimated incremental cost associated with COVID-19 mitigation actions and impacts on construction productivity is included in the total project capital cost forecast and assumes (i) absenteeism rates continue to normalize and (ii) the intended productivity efficiencies and production targets assumed in Southern Nuclear's July 2020 aggressive site work plan are realized in the coming months. However, the ultimate impact of the COVID-19 pandemic on the construction schedule and budget for Vogtle Units 3&4 cannot be determined at this time.

On May 11, 2020, the Blue Ridge Environmental Defense League filed a petition with the U.S. Nuclear Regulatory Commission (NRC) that challenges a license amendment request. On June 15, 2020, the NRC issued an appealable order rejecting Nuclear Watch South's April 20, 2020 petition requesting a hearing and challenging the closure of certain ITAAC. If any license amendment requests or other licensing-based compliance issues are not resolved in a timely manner, there may be delays in the project schedule that could result in increased costs.

On May 20, 2020, GIPL, PSE, and Georgia Watch filed a notice of appeal of previous case dismissals by the Fulton County, Georgia Superior Court (Fulton County Superior Court) related to a January 2018 order by the GPSC. GPC has reported that it believes the petitions have no merit; however, an adverse outcome in the litigation combined with subsequent adverse action by the GPSC could have a material impact on GPC's ability to proceed with and complete construction of Vogtle Units 3&4 and, therefore, on MEAG Power's results of operations, financial condition, and liquidity.

The ultimate outcome of these matters cannot be determined at this time.

Project J Bonds: As of March 31, 2020, MEAG Power had $2.0 billion of its Project J bonds (Project J bonds) outstanding. Pertaining to the Project J bonds and related to the Court's Order:

- On June 24, 2020, Fitch Ratings removed the Rating Watch Negative and affirmed the BBB+ rating with a negative outlook.
- On June 30, 2020, Moody's Investors Service affirmed the Baa3 rating and changed the outlook to positive from negative.

The Standard and Poor's rating on the Project J bonds remains at A with a negative outlook.

Other

On July 29, 2020, a group of individual plaintiffs filed a complaint in the Fulton County Superior Court against GPC alleging that releases from Generation Station Scherer have impacted groundwater, surface water, and air, resulting in alleged personal injuries and property damage. The plaintiffs seek an unspecified amount of monetary damages including punitive damages, a medical monitoring fund, and injunctive relief.

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

(In thousands)	March 31, 2020								March 31, 2019
	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	$1,848,381	$692,863	$ 187,848	$4,050,944	$ –	$3,510	$ –	**$ 6,783,546**	$5,907,469
Other non-current assets	622,216	125,160	42,660	2,065,868	310,943	–	(76,475)	**3,090,372**	2,417,914
Current assets	246,466	92,521	42,432	155,752	322,279	547	(7,047)	**852,950**	738,450
Deferred outflows of resources	214,546	75,214	11,026	893	–	–	–	**301,679**	257,549
Total Assets and Deferred Outflows of Resources	$2,931,609	$985,758	$283,966	$6,273,457	$633,222	$4,057	$ (83,522)	**$11,028,547**	$9,321,382
Liabilities and Deferred Inflows of Resources									
Long-term debt	$1,595,499	$373,161	$128,663	$ 6,006,163	$ –	$ –	$ (76,475)	**$ 8,027,011**	$6,526,130
Non-current liabilities	619,291	133,978	215	(2,648)	255,610	–	–	**1,006,446**	927,765
Current liabilities	190,440	77,145	34,972	268,749	377,612	127	(7,047)	**941,998**	961,882
Deferred inflows of resources	526,379	401,474	120,116	1,193	–	3,930	–	**1,053,092**	905,605
Total Liabilities and Deferred Inflows of Resources	$2,931,609	$985,758	$283,966	$6,273,457	$633,222	$4,057	$ (83,522)	**$11,028,547**	$9,321,382

CONDENSED CONSOLIDATED STATEMENT OF NET REVENUES (UNAUDITED)

(In thousands)	Three months ended March 31, 2020								Three months ended March 31, 2019
	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[1]	$124,799	$26,100	$20,329	$ 3,854	$ –	$199	$ –	**$175,281**	$116,612
Other	8,931	4,585	2,231	6,950	–	25	–	**22,722**	32,580
Total revenues	133,730	30,685	22,560	10,804	–	224	–	**198,003**	149,192
Operating expenses	94,136	24,888	21,348	–	9	226	–	**140,607**	151,365
Net operating revenues (loss)	39,594	5,797	1,212	10,804	(9)	(2)	–	**57,396**	(2,173)
Non-operating expense (income), net	39,594	5,797	1,212	1,183	(10)	(2)	–	**47,774**	(8,198)
Change in net costs to be recovered from Participants or Competitive Trust obligations	–	–	–	9,621	1	–	–	**9,622**	6,025
Net Revenues	$ –	$ –	$ –	$ –	$ –	$ –	$ –	**$ –**	$ –

[1] Net of over (under)-recovery of $2.2 million and $(2.2) million for the three months ended March 31, 2020 and 2019, 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 2019 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.