2021 First Quarter Report

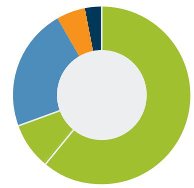
SUMMARY OF SELECTED FINANCIAL AND OPERATING DATA

(Dollars in thousands)

Three months ended or as of March 31,	2021	2020	2019
Total revenues	$ 165,317	$ 198,003	$ 149,192
Total assets and deferred outflows of resources	$ 11,443,709	$11,028,547	$9,321,382
Weighted average interest cost [(1)]	3.87%	4.23%	4.28%
Total cost to MEAG Power Participants (cents per kWh)	6.81	7.39	7.74
Peak demand (MW)	1,701	1,709	1,721

[(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.

MEAG POWER DELIVERED ENERGY



70% Non-Emitting*

*12-month rolling average, as of March 31, 2021

FIRST THREE MONTHS' PERFORMANCE

Revenue and Expense Analysis

Revenues: For the three months ended March 31, 2021 (YTD 2021), total revenues were $165.3 million compared with $198.0 million for the same period in 2020 (YTD 2020). Participant and other revenues decreased $32.1 million and $0.6 million, respectively.

Participant revenues decreased due mainly to changes in the fair value of financial instruments (see "Non-operating expense (income), net"). The decrease in other revenues was primarily due to a decrease of $3.7 million in Pseudo Scheduling and Services Agreement energy sales, which was partially offset by a $3.1 million increase in debt service billings under the Vogtle Units 3&4 Power Purchase Agreements.

Operating expenses: YTD 2021 operating expenses decreased 3.3% to $136.0 million, compared with $140.6 million for YTD 2020 primarily due to lower maintenance expense related to a reduction in planned nuclear refueling outages.

Non-operating expense (income), net: YTD 2021 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 $19.1 million compared with $47.8 million in YTD 2020. This 59.9% decrease was due primarily to changes in the following components:

- An increase of $27.2 million in the fair value of financial instruments was mainly due to a rebound in the value of equity securities held in the decommissioning trust account, in relation to the impact that the COVID-19 pandemic had on the financial markets during YTD 2020.
- Interest expense decreased $4.2 million due mainly to debt service savings associated with the 2020 Project One, General Resolution Projects and Combined Cycle Project refunding bond issuances (2020 Bond Issuances), scheduled principal amortizations, as well as lower interest rates on variable rate bonds and DOE Guaranteed Loans. These factors were partially offset by the interest expense on the new money portion of the 2020 Bond Issuances.
- Interest capitalized increased $4.3 million primarily due to additional capital investment in Vogtle Units 3&4.
- These factors were partially offset by a decrease of $8.4 million in investment income primarily due to short-term rates trending lower from Federal Reserve Bank rate decreases related to COVID-19, as well as lower investment balances.

The weighted average interest rate of MEAG Power's debt was 3.87% and 4.23% for YTD 2021 and YTD 2020, respectively, with the decrease primarily due to lower variable interest rates and lower fixed rates resulting from the 2020 Bond Issuances.

Operations

During YTD 2021, energy delivered to MEAG Power Participants increased 3.5% from YTD 2020 due mainly to cooler winter weather and Participants' customer load growth. Total power cost to the Participants, including hydro energy purchased from the Southeastern Power Administration, was 6.81 cents/kilowatt-hour (kWh) for YTD 2021, compared with 7.39 cents/kWh for YTD 2020. The decrease was primarily related to the decrease in operating expenses (see "Operating Expenses") and the increase in energy delivered.

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 2020 Annual Information Statement or the Official Statement dated July 8, 2021, as supplemented on July 19, 2021, pertaining to MEAG Power's Series 2021A Plant Vogtle Units 3&4 Project M, Project J or Project P Bonds (see "Recent Financings" below).

Construction Budget and Schedule for Vogtle Units 3&4

Based on the construction cost estimate set forth in the Vogtle Construction Monitoring (VCM) 24 Report, as well as other construction cost estimate and contingency information, and based on in-service dates of June 2022 and March 2023 for Vogtle Unit 3 (Unit 3) and Vogtle Unit 4 (Unit 4), respectively, it is estimated that the Vogtle Units 3&4 Project Entities' (Project Entities) in-service cost will be, in the aggregate, approximately $6.8 billion, including construction and financing costs through the estimated in-service dates, initial fuel load costs, and switchyard and transmission costs and contingencies established by Georgia Power Company (GPC) at the project-level for all Vogtle Co-owners. Additional financing needs relating to reserve funds and other fund deposits required under MEAG Power's and the Project Entities' financing documents result in a current estimate of total financing needs of approximately $7.3 billion. As discussed in the next paragraph, a certain portion of these costs is subject to reduction in accordance with the 2019 Global Amendments to the Vogtle Joint Ownership Agreements (Global Amendments).

During the first quarter 2021, GPC assigned approximately $42 million of the construction contingency established in the fourth quarter 2020 with respect to the Project Entities' interests to the base capital cost forecast for costs primarily associated with the schedule extension for Unit 3 to December 2021, construction productivity, support resources and construction remediation work. In addition, GPC increased the total capital cost forecast as of March 31, 2021, by adding approximately $105 million to the remaining project-level construction contingency. The Project Entities share of this amount was approximately $24 million. Considering the factors discussed below, during the second quarter 2021, GPC assigned all of the remaining construction contingency previously established and an additional approximately $746 million to the base capital cost forecast for costs primarily associated with the schedule extensions for Units 3 and 4 described below, construction remediation work for Unit 3, and construction productivity and support resources for Units 3 and 4. GPC also increased the total capital cost forecast as of June 30, 2021 by adding approximately $260 million to replenish construction contingency at the project-level. The Project Entities 22.7% share of these costs and contingencies of approximately $228.4 million will be reduced as a result of the terms of the Global Amendments, which specify the Project Entities responsibility for cost increases over the VCM 19 Report from $800 million to $1.6 billion at 18.52% and 14.34% for cost increases from $1.6 billion to $2.1 billion. The amount of reduction cannot be calculated until a determination is made as to the extent of such costs of construction constitute “Qualifying Construction Costs,” as that term is defined in the Global Amendments. There can be no assurance that the contingences established by GPC at the project-level for all Vogtle Co-owners or established in the future by the Project Entities will be sufficient to fund any such cost increases. MEAG Power will continue to evaluate information available to it regarding the construction schedule and budget for Vogtle Units 3&4.

As part of its ongoing processes, Southern Nuclear Operating Company, Inc. (Southern Nuclear) continues to evaluate cost and schedule forecasts on a regular basis to incorporate current information available, particularly in the areas of engineering support, commodity installation, system turnovers and related test results, and workforce statistics. Southern Nuclear establishes aggressive target values for monthly construction production and system turnover activities. Southern Nuclear’s site work plans continue to reflect this approach in support of safely completing Units 3 and 4, while achieving the required construction quality.

Since March 2020, the number of active COVID-19 cases at the site has fluctuated and impacted productivity levels and pace of activity completion. The site has experienced an overall decline in the number of active cases since a peak in January 2021. The lower productivity levels and slower pace of activity completion experienced since March 2020 contributed to a backlog to the aggressive site work plan established at the beginning of 2020. In addition, the project continued to face challenges including, but not limited to, higher than expected absenteeism; overall construction and subcontractor labor productivity; system turnover and testing activities; and electrical equipment and commodity installation. As a result of these factors, in January 2021, Southern Nuclear further extended certain milestone dates.

Following the January 2021 milestone extensions, Southern Nuclear has been performing additional construction remediation work necessary to ensure quality and design standards are met as system turnovers are completed to support hot functional testing and fuel load for Unit 3. Hot functional testing for Unit 3 was completed in July 2021. As a result of challenges including, but not limited to, construction productivity, construction remediation work, the pace of system turnovers, spent fuel pool repairs, and the timeframe and duration for hot functional and other testing, at the end of the second quarter 2021, Southern Nuclear further extended certain milestone dates. The site work plan currently targets an in-service date of March 2022. As the site work plan includes minimal margin to this date, an in-service date in the second quarter 2022 for Unit 3 is projected, although any further delays could result in a later in-service date.

As the result of productivity challenges, at the end of the second quarter 2021, Southern Nuclear also further extended milestone dates for Unit 4 from those established in January 2021. The site work plan targets an in-service date of November 2022 and primarily depends on overall construction productivity and production levels significantly improving, as well as appropriate levels of craft laborers, particularly electricians and pipefitters, being added and maintained. As the site work plan includes minimal margin to the milestone dates, an in-service date in the first quarter 2023 for Unit 4 is projected, although any further delays could result in a later in-service date.

As construction, including subcontract work, continues and testing and system turnover activities increase, ongoing or future challenges with management of contractors and vendors; subcontractor performance; supervision of craft labor and related productivity, particularly in the installation of electrical, mechanical, and instrumentation and controls commodities, ability to attract and retain craft labor, and/or related cost escalation; procurement, fabrication, delivery, assembly, installation, system turnover, and the initial testing and start-up, including any required engineering changes or any remediation related thereto, of generating unit systems, structures, or components (some of which are based on new technology that only within the last few years began initial operation in the global nuclear industry at this scale), including the spent fuel pools, any of which may require additional labor and/or materials; or other issues could continue or arise and change the projected schedule and estimated cost. In addition, the continuing effects of the COVID-19 pandemic are uncertain at this time as to potential delay in construction and testing activities at Vogtle Units 3&4.

There have been technical and procedural challenges to the construction and licensing of Vogtle Units 3&4, at the federal and state level and additional challenges may arise. GPC reports that there are processes in place that are designed to assure compliance with the requirements specified in the Westinghouse Design Control Document and the Combined Construction and Operating Licenses, including inspections by Southern Nuclear and the U.S. Nuclear Regulatory Commission (NRC) that occur throughout construction.

In connection with the additional construction remediation work described above, Southern Nuclear reviewed the project’s construction quality programs and, where needed, is implementing improvement plans consistent with these processes. In June 2021, the NRC began a special inspection to review the root cause of this additional construction remediation work and the corresponding corrective action plans. Findings resulting from this or other inspections could require additional remediation and/or further NRC oversight. In addition, certain license amendment requests have been filed and approved or are pending before the NRC. On March 15, 2021, the NRC denied the Blue Ridge Environmental Defense League’s (BREDL) December 2020 motion to reopen proceedings on BREDL’s petition challenging a requested license amendment request, which has been issued by the NRC staff.

Various design and other licensing-based compliance matters, including the timely submittal by Southern Nuclear of the Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) documentation for each unit and the related reviews and approvals by the NRC necessary to support NRC authorization to load fuel, have arisen or may arise, which may result in additional license amendments or require other resolution. If any license amendment requests or other licensing-based compliance issues, including inspections and ITAACs, are not resolved in a timely manner, there may be delays in the project schedule that could result in increased costs.

The ultimate outcome of these matters cannot be determined at this time; however, the above factors and other construction and completion risks pertaining to Vogtle Units 3&4 could continue to impact the in-service dates and cost of Vogtle Units 3&4.

Recent Financings

To finance additional construction costs and to provide a portion of the funds required to refund certain outstanding Vogtle Units 3&4 Bonds, on July 20, 2021, MEAG Power issued:

- $83.0 million of its Plant Vogtle Units 3&4 Project M Bonds, Series 2021A,
- $150.4 million of its Plant Vogtle Units 3&4 Project J Bonds, Series 2021A and
- $64.0 million of its Plant Vogtle Units 3&4 Project P Bonds, Series 2021A.

Total net proceeds, including original issue premium, were $331.2 million.

CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

(In thousands)	March 31, 2021								March 31, 2020[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	$1,866,696	$674,732	$179,671	$4,908,395	$ –	$2,790	$ –	**$ 7,632,284**	$ 6,783,546
Other non-current assets	727,321	127,319	39,940	1,215,774	270,443	–	(27,580)	**2,353,217**	2,560,961
Current assets	254,791	98,181	54,060	443,722	358,449	536	(7,845)	**1,201,894**	1,382,361
Deferred outflows of resources	176,675	78,160	899	580	–	–	–	**256,314**	301,679
Total Assets and Deferred Outflows of Resources	$3,025,483	$978,392	$274,570	$6,568,471	$628,892	$3,326	$(35,425)	**$11,443,709**	$11,028,547
Liabilities and Deferred Inflows of Resources									
Long-term debt	$1,552,351	$374,091	$ 95,299	$6,329,525	$ –	$ –	$(27,580)	**$ 8,323,686**	$ 8,027,011
Non-current liabilities	609,390	140,968	(22)	(6,704)	260,708	–	–	**1,004,340**	1,006,446
Current liabilities	206,329	32,228	41,225	244,278	368,184	116	(7,845)	**884,515**	941,998
Deferred inflows of resources	657,413	431,105	138,068	1,372	–	3,210	–	**1,231,168**	1,053,092
Total Liabilities and Deferred Inflows of Resources	$3,025,483	$978,392	$274,570	$6,568,471	$628,892	$3,326	$(35,425)	**$11,443,709**	$11,028,547

CONDENSED CONSOLIDATED STATEMENT OF NET REVENUES (UNAUDITED)

(In thousands)	Three months ended March 31, 2021								Three months ended March 31, 2020
	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]	$88,510	$25,015	$19,721	$ 9,734	$ –	$207	$ –	**$143,187**	$175,281
Other	7,962	1,992	2,122	10,029	–	25	–	**22,130**	22,722
Total revenues	96,472	27,007	21,843	19,763	–	232	–	**165,317**	198,003
Operating expenses	90,075	24,317	21,340	–	–	232	–	**135,964**	140,607
Net operating revenues	6,397	2,690	503	19,763	–	–	–	**29,353**	57,396
Non-operating expense, net	6,397	2,690	503	9,554	–	–	–	**19,144**	47,774
Change in net costs to be recovered from Participants or Competitive Trust obligations	–	–	–	10,209	–	–	–	**10,209**	9,622
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 $3.7 million and $2.2 million for the three months ended March 31, 2021 and 2020, 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 2020 audited financial statements.

THE MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA

The Municipal Electric Authority of Georgia (MEAG Power) is a nonprofit, statewide generation and transmission organization. Recognized as one of the leading joint action agencies in the country, MEAG Power is among the top public power companies nationwide in terms of annual net generation, megawatt-hour sales and electric revenue. Its diverse, clean energy portfolio — delivering 69% emissions-free energy in 2020 — compares favorably with both the state and national averages. Created by the Georgia General Assembly in 1975, MEAG Power provides reliable, competitive wholesale electricity to its 49 member communities (Participants), who own their local distribution systems. MEAG Power also monitors and advocates on energy issues at the state and federal levels on behalf of its Participants.