2024 ANNUAL REPORT

ABOUT MEAG POWER

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, on average, 65% emissions-free energy since 2016 — compares favorably with both the state and national averages.

MEAG Power provides reliable, competitive wholesale electricity to its 49 member communities (Participants), who own and operate their local electric distribution systems. Collectively, the Participant communities represent approximately 653,000 Georgians based on 2020 U.S. Census Bureau data.

Financial Highlights

Three-Year Summary of Selected Financial and Operating Data (dollars in thousands)

	2024	2023	2022
Total revenues	$ 1,235,869	$ 877,605	$ 974,385
Total assets and deferred outflows of resources	$ 12,904,741	$12,719,777	$12,127,476
Property, plant and equipment, net	$ 8,601,387	$ 8,624,312	$ 8,326,730
Debt outstanding (excluding defeased bonds)	$ 9,623,002	$ 9,459,180	$ 9,090,064
Total delivered energy to MEAG Power Participants (MWh)[1]	13,563,119	11,842,834	12,018,602
Cost to MEAG Power Participants (cents per kWh):			
Total cost[1]	6.33	7.03	7.23
Bulk power cost	6.29	7.00	7.23
SEPA cost[1]	7.16	7.59	7.37
Peak demand (MW)	2,341	2,204	2,188
Total nominal generating capacity in service (MW)[2][3]	2,300	2,050	1,800

(1) Participants purchase hydro energy directly from the Southeastern Power Administration (SEPA). Such energy is included in these calculations.

(2) Excludes SEPA capacity which is purchased by the Participants and capacity purchased by MEAG Power from others. Decertification and retirement of Plant Wansley occurred on August 31, 2022.

(3) Vogtle Unit 3 and Unit 4 entered commercial operation on July 31, 2023 and April 29, 2024, respectively, with each unit adding 250 MW of emissions-free energy to MEAG Power's generating capacity.

POWERED BY OUR PARTICIPANTS

In 1975, there were numerous Georgia communities that owned their local electric utility, most of which we now call MEAG Power Participants…

MEAG Power Communities

Acworth
Adel
Albany
Barnesville
Blakely
Brinson
Buford
Cairo
Calhoun
Camilla
Cartersville
College Park
Commerce
Covington
Crisp County
Doerun
Douglas
East Point
Elberton
Ellaville
Fairburn
Fitzgerald
Forsyth
Fort Valley
Grantville
Griffin
Hogansville
Jackson
LaFayette
LaGrange
Lawrenceville
Mansfield
Marietta
Monroe
Monticello
Moultrie
Newnan
Norcross
Oxford
Palmetto
Quitman
Sandersville
Sylvania
Sylvester
Thomaston
Thomasville
Washington
West Point
Whigham

CELEBRATING 50 YEARS TOGETHER

"Since its founding 50 years ago, MEAG Power has stood as a cornerstone of our Participant communities, providing the essential power that underpins our quality of life and economic vitality. Having a stable and cost-effective energy supply has been a vital engine for economic growth, providing opportunity across our state."

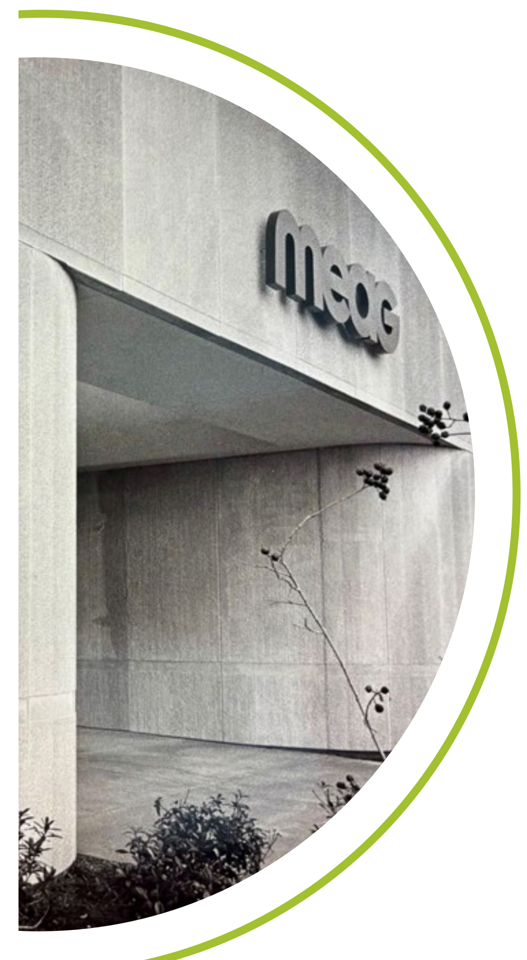
Larry Vickery,
Chairman of the MEAG Power Board and early MEAG Power employee

"MEAG Power has given 49 Participant communities across Georgia the ability to come together in partnership to gain strength and reduce risk by securing affordable energy for present and future needs. MEAG Power also has ensured our unique needs and priorities have been given an important voice in our state and federal governments across different administrations."

William J. Yearta,
MEAG Power Board member and State Representative, Sylvester

"Creating MEAG Power was a matter of survival for the Electric Cities. In the early 1970s, load growth in Georgia was outpacing available generation, wholesale electric rates were escalating rapidly, and we were dependent on a single private utility that prioritized their retail load over city loads, making power availability uncertain. The Municipal Electric Authority of Georgia enabled the municipal systems to gain control of their own power supply destiny."

Frank Olson,
MEAG Power CEO 1992–1997, and member of the original Board (pictured at right)



"Establishing a new power supplier — the Municipal Electric Authority of Georgia — required the time and talent of many dedicated people throughout the state over a long period of time. All their efforts and hard work began to pay off in the first year of operation — 1977."

Donald Stokley,
MEAG Power's first CEO, from the 1977 Annual Report

"Past and present, MEAG Power is dedicated to the success and viability of municipal electric systems. The marketplace has changed significantly since the 1970s, but the goal has remained the same — delivering reliable and competitively priced power. There has been continuity in the vision of the Board members throughout the years. And in that continuity is strength."

Bob Johnston,
MEAG Power CEO 1998-2015

POWERED BY GOOD DECISIONS

OVER THE LAST 50 YEARS, MEAG POWER HAS STEADFASTLY FOCUSED ON DELIVERING RELIABLE, ECONOMICAL WHOLESALE POWER TO OUR PARTICIPANT COMMUNITIES.

1975
The Municipal Electric Authority of Georgia is created by an Act of the Georgia General Assembly

Plant Hatch becomes operational

1976
47 public power communities sign contracts to become Participants

Plant Wansley becomes operational

1977
MEAG issues its first bonds and uses the proceeds to acquire 17% ownership in Plants Vogtle and Hatch and 10% ownership of Plants Wansley and Scherer

Also acquires shares in the Integrated Transmission System

1978
Additional 5.1% ownership of Plants Wansley and Scherer acquired

1980
Additional 15.1% ownership of Plant Scherer acquired

1982
Plant Scherer becomes operational

1984
Additional 5% ownership of Plant Vogtle acquired

1986
Oxford, GA becomes the 48th Participant

1987
Plant Vogtle becomes operational

1995
MEAG changes its name to MEAG Power

1997
MEAG Power begins buying and selling power in the wholesale energy market

1999
The Municipal Competitive Trust is established

2002
Acworth, GA becomes the 49th Participant of MEAG Power

2004
MEAG Power's wholly owned combined cycle gas facility at Plant Wansley begins commercial operation

2008
41 Participants agree to take 22.7% of output from new Plant Vogtle Units 3 & 4

2010
MEAG Power sells $2.7 billion in bonds to fund the Plant Vogtle expansion

2012
Plant Vogtle gets combined license to begin construction of Units 3 & 4

2018
Change in federal law achieved to allow MEAG Power to monetize nuclear production tax credits

2023
Plant Vogtle Unit 3 begins commercial operation

2024
Plant Vogtle Unit 4 begins commercial operation

Pineview Solar groundbreaking

A MESSAGE FROM THE CHAIRMAN AND PRESIDENT

Larry M. Vickery
Chairman

James E. Fuller
President and Chief Executive Officer

We reached a turning point in 2024 where we saw the end of one era and the start of another. The year was highlighted by several significant accomplishments and much conversation on the challenges and opportunities that lay ahead of us.

We completed one of the largest projects in our history — the construction of Plant Vogtle Units 3 and 4 — that consumed much of our attention over the last 20 years. This was indeed an occasion to celebrate, but not a time to relax, as it became ever more evident that we are facing a historic rise in energy demand driven by advancements in the digital age.

This poses new questions that we must address collectively. But we will do so from a position of strength, thanks to our long-held focus of delivering reliable, affordable wholesale power to our Participant communities.

Vogtle Unit 4 Commercial Operation Date

Perhaps the biggest milestone in 2024 was the official startup of Plant Vogtle Unit 4, which completed our nearly 20-year involvement in the Vogtle Unit 3 and Unit 4 expansion project. Along the way we made many difficult decisions, raised significant low-cost funding and did the hard work necessary to bring the project to a successful conclusion.

Unit 4 added 250 MW of emissions-free generation capacity to MEAG Power's portfolio. Together with Unit 3, which entered commercial operation in 2023, we have added 500 MW of clean energy to our portfolio, an equivalent amount to power an estimated 227,000 homes and businesses. If you combine Units 1–4, Plant Vogtle is the largest nuclear facility and generator of clean energy in the nation, with the ability to produce more than 30 million MWh of electricity each year.

Our decision to get involved in the Vogtle expansion project in 2005 looks prescient today, as energy needs are shifting from meeting peak demand to ensuring round the clock power. Many electric utilities outside of Georgia would love to have Vogtle's reliable source of clean, safe and affordable baseload power for the next 60 to 80 years.

Pineview Solar

MEAG Power also celebrated the groundbreaking of our first solar project in 2024, Pineview Solar LLC, which has been in the works for several years. When the facility comes online in 2026, it will deliver 80 MW of clean energy to 22 Participant communities as part of a 15-year power purchase agreement, during which it will avoid an estimated 1.5 million tons of CO2.

Pineview Solar will utilize innovative technologies, including bifacial solar panels and racking equipment that tracks the sun. Bifacial panels capture sunlight on both sides of the panel, taking advantage of light reflecting off the ground, while the racking systems adjust their tilt so that they follow the sun throughout the day, maximizing their energy production.

Adding solar energy to our diverse resource mix is a significant step for MEAG Power and our Participants, who were a key factor in bringing this project to fruition. Non-emitting solar generation will further enable us to provide reliable, affordable and clean energy to Participants, and help these communities improve their economics, spread risk, enhance affordability and strengthen their competitiveness.

Transition to ACES

Another highlight in 2024 was the transition of our market trading activities to ACES, a provider of energy management and transaction execution services. The ACES business model enables MEAG Power to provide financial support for market trading activities related solely to our Participants' energy needs. This approach has improved our risk management in a rapidly changing market environment.

I want to thank all those involved in making the transition seamless. It took a tremendous effort by our legal, power supply and finance teams, as there were numerous purchase, sale and transmission service agreements that had to be put into place.

We completed the changeover in about half the usual time for this type of activity, and never skipped a beat as we continued to receive a high level of service without interruption. ACES has been a great partner, and we look forward to continued success in our trading program.

Continued Rise in Energy Demand

The Vogtle, Pineview and ACES milestones come at a time when forecasts for future energy demand have risen significantly. After two decades of steady 1% per annum growth, U.S. electric demand is poised to grow to a projected 3% rise per annum for the next 25 years, according to the U.S. Department of Energy.

In response, we also issued a request for proposal during 2024 to survey the costs and timing of building new generation sources. Current projections show that with the added capacity from Vogtle Units 3 and 4, and the coming Pineview solar project, we will have adequate capacity to meet current projected needs.

Closer to home, Georgia continues to rise in popularity as an ideal location for energy-intensive data centers. In fact, the Metro Atlanta region had the largest increase in under-construction data center space of any U.S. major market from 2023 to 2024, as reported by real estate services firm CBRE. It also had the largest growth in net leased data center space in the U.S., increasing 56% more than the next highest-ranked market.

Several Participants have received inquiries related to these large data center loads. We're assisting these communities by conducting studies to evaluate transmission and generation capacities available to meet the projected demand, which will inform decision making and assess viability of the projects.

Favorable Financing Activity, Record Year-End Settlement

During the year we issued $400 million of bonds that received more than $4.8 billion in orders from 84 institutional investors. This included multiple investors that had orders in excess of $100 million. Aggressive repricing lowered yields by 10–20 basis points.

Our Project M and Project J bonds also saw upgraded ratings from Fitch Ratings, rising from BBB+ to A-. The upgrade reflects the successful commercial operation of Vogtle Units 3 and 4, which has alleviated risks from nuclear construction costs and start-up.

It also reflects the confidence the market has had in the way we structured the Plant Vogtle expansion financing. To put it into context, utilities developing new nuclear in the 1970s and 1980s experienced an average of seven rating notch downgrades during construction and startup activities. MEAG Power received an average net downgrade of one notch from three rating agencies during the same period of project development.

In other financial news, the 2024 year-end budget settlement to Participants totaled $51.7 million, which is the largest settlement amount in MEAG Power's history.

Tax-Exempt Municipal Bonds

One of the more important legislative efforts in front us is working with our industry and government partners to educate Congress on the important role tax-exempt municipal bonds have played in public power communities in Georgia and across the country.

Key provisions of the Tax Cuts and Jobs Act of 2017 expire in 2025, which has led Congress to look at eliminating tax-advantaged financing tools as one of the potential ways to pay for the extension of the tax cuts. This would raise costs and severely hamper future development projects, not only for MEAG Power, but for other public power communities across the country.

According to the U.S. Conference of Mayors, the elimination of tax exemption would raise borrowing costs by a projected $833 billion between 2026 and 2035, a cost that would be passed onto taxpayers and lead to a $6,555 tax and rate increase for each American household over the next decade.

Tax-exempt bonds have enabled the delivery of affordable and reliable power to millions in Georgia, thanks to their low cost of capital and risk profile. It was the issuance of $450 million in tax-exempt bonds in 1977 that enabled MEAG Power to purchase its first ownership stakes in Plants Vogtle, Hatch, Wansley and Sherer. Subsequent tax-exempt financing allowed us to acquire additional generation and transmission assets.

To say the tax-exempt status has played in a role in the growth and prosperity of our 49 Participant communities across Georgia is an understatement.

Another legislative effort we have undertaken is engaging with a new special committee on Resource Management created by the Georgia General Assembly in 2024. Among its areas of focus is growth in energy demand in Georgia, including the impact of data centers. We have already spoken to this committee to introduce MEAG Power and our mission to support our Participant communities, and will continue to assist their understanding of the impact public power has in Georgia.

Hurricane Helene

Hurricane Helene ripped through many parts of Georgia in September 2024, becoming one of the most destructive storms in the state's history. Strong winds and heavy rain downed thousands of trees and damaged countless power poles, power lines and transformers, causing more than 1 million Georgians to lose power, including many in Participant communities.

We want to commend the utility crews from Georgia and elsewhere, who did yeoman's work to repair the damage and restore power in the immediate aftermath of the storm and for months afterwards. They deserve our thanks and appreciation.

50th Anniversary

While this report focuses on 2024, we are in the midst of celebrating the 50th anniversary of MEAG Power's founding on March 18, 1975. You'll find more information in this report on our accomplishments and milestones over the years.

The world has changed dramatically since 1975, when telephones were tethered to a cord, cameras required film and bulky personal computers were in the hands of a relatively few hobbyists. Today, we stand on the cusp of even more transformational change driven by artificial intelligence.

Through it all there has been continuity in MEAG Power's mission to provide reliable and affordable power to our Participant communities. This steadfast, collective vision of Board members and employees, supported by our Participant partnerships, has positioned us well to handle whatever the next 50 years may bring.

Larry M. Vickery
Chairman

James E. Fuller
President and Chief Executive Officer

May 16, 2025

A Q&A WITH THE PRESIDENT AND CEO

Q What's your outlook on energy demand from data centers in Georgia?

The demand for data centers in Georgia is real, but it won't last forever. The metro Atlanta area ranks second in the country in terms of data center space under construction. Developers are building larger, more advanced facilities here than in other areas, thanks, in part, to the state's relatively affordable energy. It's a unique near-term opportunity that likely may not happen again, and it's incumbent on us to support Participants in a thoughtful way to maximize benefits and minimize risks.

Q What is the status of the solar project?

The Pineview Solar project continues to make good progress. To date, 48 acres of land have been cleared and more than 980 piles — foundational structures that support the solar panels — have been installed. Our partnership with Linea Energy, the developer and operator of the solar site, has been first rate, and we look forward to continued success with the project.

Q Now that Plant Vogtle Units 3 and 4 are operational, what's next?

Completing the Vogtle expansion project was a huge milestone, but we're not resting on our laurels. The projected rise in energy demand in Georgia and the U.S. requires assessment of new generation resources and enhancements to the grid. If anything, expect to see us ramp up our efforts in support of our Participants.

Q What are the prospects for a new nuclear project?

I recently spoke at an investor conference on the subject of new nuclear, as there is a great deal of interest in the market on this topic. Nuclear energy meets today's need for reliable, always-on baseload power, and it's non-emitting. It also comes with bigger challenges and risks to getting a project built than other resources. When it comes to new generation, we are agnostic. As we've always done, we'll support our Participants in doing what's in their best interests of their communities.

Q When you reflect on MEAG Power's 50th anniversary, what comes to mind?

MEAG Power's continued success over the years is a product of staying focused on our core mission to provide reliable, affordable power to our Participant communities. Our ability to fulfill this mission over five decades is a testament to the dedication and hard work of MEAG Power's Board members, the Participant communities and employees throughout the years, and the trust and support of our Participants without whom we would not exist.

SENIOR MANAGEMENT

THE MEAG POWER BOARD

Larry M. Vickery
Chairman
Former General Manager, Calhoun Utilities

L. Timothy Houston, Sr.
Vice Chairman
Alderman, Acworth

Patrick C. Bowie, Jr.
City Manager, LaGrange

Terrell D. Jacobs
City Manager, Albany

Gregory P. Thompson
Council Member, Monroe

R. Steve "Thunder" Tumlin, Jr.
Mayor, Marietta

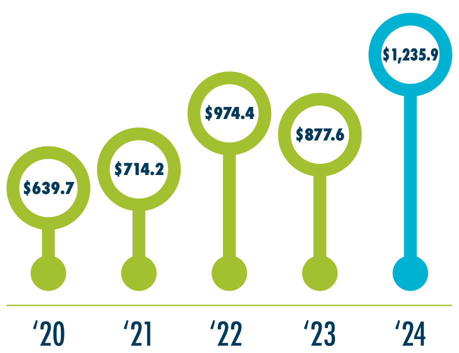
Chad E. Warbington
Mayor Pro Tem, Albany

Eric S. Wilson
Mayor, Forsyth

William J. Yearta
State Representative, Sylvester

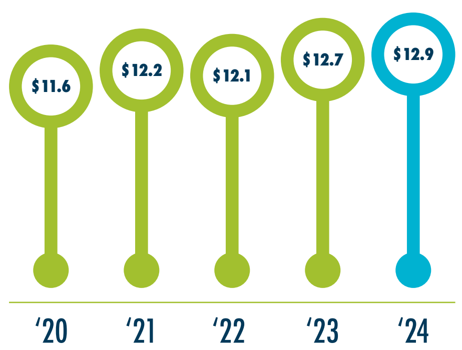
SELECTED FINANCIAL HIGHLIGHTS

Total Revenues
(dollars in millions)



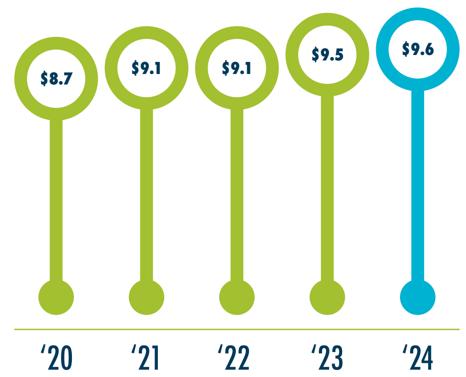
Total revenues increased $358 million during 2024, primarily due to both Vogtle Units 3&4 being in operation. Energy delivered to MEAG Power Participants increased 14.5%, mainly due to high-density loads.

Total Assets and Deferred Outflows of Resources
(dollars in billions)



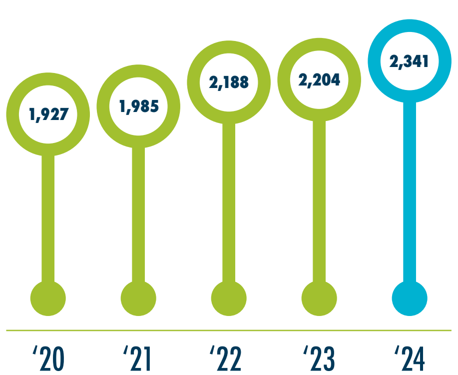
During 2024, an increase of $185 million in total assets and deferred outflows of resources was primarily due to net bond proceeds, which was partially offset by a reduction in decommissioning costs.

Total Debt Outstanding
(dollars in billions)



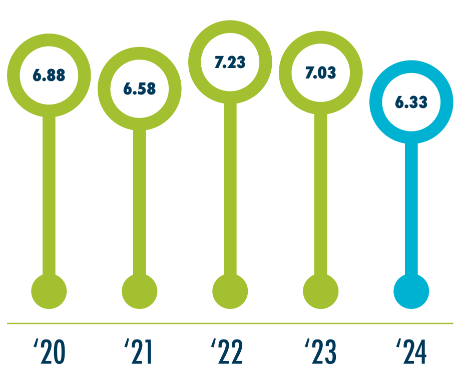
Total debt outstanding increased $164 million in 2024, primarily due to bond issuances, which were partially offset by scheduled principal payments and a net payoff of credit facilities and commercial paper.

Peak Demand
(MW)



In 2024, peak demand increased 6.20% due primarily to high-density loads.

Cost to Participants
(cents/kWh)



In 2024, total cents per kWh was 6.33, compared with 7.03 in 2023. The decrease was primarily due to higher delivered energy, which was partially offset by an increase in billings for Vogtle Units 3&4 Project M and supplemental power.

MEAG POWER 2024 FINANCIAL REVIEW

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

Introduction

The Municipal Electric Authority of Georgia (MEAG Power) is a public corporation and an instrumentality of the State of Georgia (the State or Georgia), created by the State for the purpose of owning and operating electric generation and transmission facilities to supply bulk electric power to political subdivisions of the State which owned and operated electric distribution systems as of March 18, 1975, and which contracted with MEAG Power for the purchase of wholesale power. The statute under which it was created provides that MEAG Power will establish rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit, unless any such profit inures to the benefit of the public. Forty-eight cities and one county in the State (the Participants) have contracted with MEAG Power for bulk electric power supply needs.

Overview of the Consolidated Financial Statements

MEAG Power is comprised of the following projects/funds, as discussed in the Notes to Consolidated Financial Statements (Notes) Note 1, "The Organization" (Note 1), section (A), "Reporting Entity":

- Project One;
- General Resolution Projects;
- Combined Cycle Project (CC Project);
- Vogtle Units 3&4 Projects and Project Entities; and
- The Municipal Competitive Trust (Competitive Trust).

This discussion serves as an introduction to the basic consolidated financial statements of MEAG Power to provide the reader with an overview of MEAG Power's financial position and operations.

The Consolidated Balance Sheet (Balance Sheet) summarizes information on all of MEAG Power's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources.

Revenue and expense information is presented in the Consolidated Statement of Net Revenues (Statement of Net Revenues). Revenues represent billings for wholesale electricity sales to the Participants and sales of electricity to unrelated parties through power purchase and other agreements, as discussed in Note 2, "Summary of Significant Accounting Policies and Practices" (Note 2), section (C), "Revenues." Expenses primarily include operating costs and debt service-related charges.

The Consolidated Statement of Cash Flows (Statement of Cash Flows) is presented using the direct method. This method provides broad categories of cash receipts and cash disbursements pertaining to cash provided by or used in operating, investing and financing activities.

The Notes are an integral part of MEAG Power's basic consolidated financial statements and provide additional information on certain components of these statements.

Vogtle Units 3&4 Projects and Project Entities

MEAG Power's Statement of Net Revenues and Statement of Cash Flows for the year ended December 31, 2024, were significantly impacted by Vogtle Units No. 3 (Unit 3) and No. 4 (Unit 4) being in operation. Unit 4 entered commercial service on April 29, 2024, adding 250 megawatts (MW) of emissions-free generation capacity to MEAG Power's portfolio. Together with Unit 3, which entered commercial service on July 31, 2023, MEAG Power has added 500 MW of emissions-free capacity to its portfolio, providing enough energy for an estimated 227,000 homes and businesses. JEA and PowerSouth are entitled to approximately 330 MW of this capacity, which will be provided to them for the first 20 years of commercial operation of Unit 3 and Unit 4, pursuant to their respective amended power purchase agreements with MEAG Power.

Collectively, Unit 3 and Unit 4 are referred to herein as Vogtle Units 3&4. For additional information, see Note 1, section (D), "Vogtle Units 3&4 Projects and Project Entities" (Note 1 (D)).

Financial Condition Overview

MEAG Power's Balance Sheet as of December 31, 2024, 2023 and 2022 is summarized below (in thousands):

	2024	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Property, plant and equipment, net	**$ 8,601,387**	$ 8,624,312	$ 8,326,730
Other non-current assets	**2,666,442**	2,599,403	2,412,791
Current assets	**1,474,432**	1,193,759	1,120,074
Total assets	**12,742,261**	12,417,474	11,859,595
Deferred outflows of resources	**162,480**	302,303	267,881
Total Assets and Deferred Outflows of Resources	**$12,904,741**	$12,719,777	$12,127,476
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Long-term debt	**$ 9,373,611**	$ 9,211,985	$ 8,834,554
Non-current liabilities	**1,003,054**	1,130,799	1,062,080
Current liabilities	**1,059,444**	971,872	938,198
Total liabilities	**11,436,109**	11,314,656	10,834,832
Deferred inflows of resources	**1,468,632**	1,405,121	1,292,644
Total Liabilities and Deferred Inflows of Resources	**$12,904,741**	$12,719,777	$12,127,476

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

The primary changes in MEAG Power's consolidated financial condition as of December 31, 2024 and 2023 were as follows:

2024 COMPARED WITH 2023

Assets and Deferred Outflows of Resources

Total assets increased $324.8 million, or 2.6%, during 2024, as follows:

- A decrease of $22.9 million in Property, Plant & Equipment (PP&E) was primarily due to an increase of $226.7 million in accumulated depreciation (see "Operating Expenses"), which was partially offset by net PP&E additions for Vogtle Units 3&4, transmission facilities and other generating units.
- Other non-current assets increased $67.0 million mainly due to an increase in special funds of $114.9 million, which was primarily due to net bond proceeds from a 2024 bond issuance (see "Financing Activities") and higher investment balances due to funding Vogtle Units 3&4 reserve accounts. Net costs to be recovered from Participants decreased $18.9 million mainly due to timing differences between amounts billed and expenses determined in accordance with accounting principles generally accepted in the United States (Timing Differences), which were partially offset by capitalized interest pertaining to Vogtle Units 3&4.
- An increase of $280.7 million in current assets was mainly due to a $244.7 million increase in special funds. This increase is primarily related to net bond proceeds and transmission high-density load construction project funding. Other receivables increased $26.5 million due to normal trade activity. Due to lower market prices for natural gas, demand for coal decreased which caused fuel deliveries and stock to decrease $12.5 million. Materials, supplies and other assets increased $19.6 million, mainly due to Vogtle Units 3&4 being in operation and an increase in the fair value of natural gas hedges, as discussed below regarding deferred outflows of resources.

Deferred outflows of resources decreased $139.8 million mainly due to asset retirement obligations (ARO). A $116.1 million decrease in ARO was primarily related to updated decommissioning cost site studies for the nuclear units. This was partially offset by the initial ARO for Unit 4 and an increase in ARO related to the Coal Combustion Residuals Rule (see Note 7, "Commitments and Contingencies" (Note 7) – "Environmental Regulations"), and the related Georgia rule resulting from changes in estimates, including higher future inflation rates and the timing of closure activities. Increases in the fair value of interest rate swap agreements and natural gas hedges of $14.0 million and $4.4 million, respectively, were also factors.

Liabilities and Deferred Inflows of Resources

During 2024, total liabilities increased $121.5 million, or 1.1%, as follows:

- An increase of $161.6 million in long-term debt was mainly due to $398.4 million in bond issuances (see "Financing Activities") and $69.8 million in advances from the Vogtle Units 3&4 credit facilities. These factors were partially offset by scheduled principal payments and payoff of other credit facilities.
- Non-current liabilities decreased $127.7 million primarily due to the changes in ARO, as discussed above. A decrease of $18.6 million in Competitive Trust obligations was mainly due to Participant withdrawals taken as billing credits against a portion of Vogtle Units 3&4 Project M billings. Other non-current liabilities decreased $21.9 million due primarily to the increase in the fair value of interest rate swap obligations.
- An increase of $87.6 million in current liabilities was primarily due to a $68.0 million increase in accounts payable, which was mainly related to 2024 year-end settlement refunds due to the Participants (see the "Year-End Settlement" section of Note 2), and a $16.0 million increase in construction liabilities related to new construction project deposits.

Deferred inflows of resources increased $63.5 million, which was mainly related to Timing Differences and ARO (see Note 2, section (D), "Net Costs To Be Recovered and Deferred Inflows of Resources").

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

2023 COMPARED WITH 2022

Assets and Deferred Outflows of Resources

During 2023, total assets and deferred outflows increased $592.3 million, or 4.9%. Within asset components:

- PP&E increased $297.6 million, primarily due to net PP&E additions for Vogtle Units 3&4, transmission facilities and other generating units.
- A $186.6 million increase in other non-current assets was primarily related to a $123.8 million increase in special funds, which was primarily due to a net increase in the fair value of financial instruments (see "Non-Operating Expense (Income), net"), and higher Vogtle Units 3&4 investment balances due to funding of reserve accounts and bond proceeds, which were partially offset by construction work-in-progress (CWIP) payments for Vogtle Units 3&4. Net costs to be recovered from Participants increased $69.1 million, due mainly to Vogtle Units 3&4 capitalized interest, which was partially offset by Timing Differences.
- Current assets increased $73.7 million, primarily due to a $91.5 million increase in special funds, which was primarily due to Unit 3 operating funds. Other receivables decreased $19.6 million, which was primarily related to decreases of $13.0 million in accruals on Build America Bonds related to the timing of subsidy payments received from the U.S. Treasury, and $6.0 million in supplemental power due to weather conditions. Materials, supplies and other assets decreased $10.7 million, mainly due to a decrease in the fair value of gas hedges (see "Deferred Outflows of Resources" below), which was partially offset by an increase in prepayments.

Deferred outflows of resources increased $34.4 million, primarily due to decreases in the fair value of gas hedges and interest rate swap agreements of $15.5 million and $7.6 million, respectively. ARO increased $17.1 million due to the initial ARO for Unit 3 (see non-current liabilities discussion in "Liabilities and Deferred Inflows of Resources"), which was partially offset by normal amortization of ARO.

Liabilities and Deferred Inflows of Resources

Total liabilities increased $479.8 million, or 4.4%, during 2023, as follows:

- Long-term debt increased $377.4 million due primarily to $452.1 million in bond issuances to finance additional construction costs for Vogtle Units 3&4 and $125.6 million in advances from credit facilities. These factors were partially offset by scheduled principal payments.
- A $68.7 million increase in non-current liabilities was mainly due to an increase of $49.4 million in ARO due primarily to the initial recording of an ARO for Unit 3. Competitive Trust obligations increased $9.5 million due mainly to Participant deposits to defray the future costs of new generation projects, including Vogtle Units 3&4. Other non-current liabilities increased $9.8 million due primarily to the decrease in the fair value of interest rate swap obligations and a $5.9 million increase in accruals pertaining to Vogtle Units 3&4. These factors were partially offset by a $4.8 million reduction in net pension obligations.
- Current liabilities increased $33.7 million due mainly to increases of:
  - $20.8 million in accounts payable, primarily due to operating expenses of Unit 3, which were partially offset by a reduction in payments in lieu of ad valorem taxes pertaining to tangible property and a decrease in gas hedge collateral.
  - $10.5 million in borrowings under lines of credit for temporary financing purposes.
  - $6.8 million due to an increase in fair value in the Competitive Trust Flexible Operating account.
  - $13.6 million in accrued interest mainly pertaining to the 2023 Vogtle Units 3&4 bond issuances and higher variable interest rates.

These factors were partially offset by a decrease of $18.8 million in the current portion of long-term debt due to scheduled bond amortization.

A $112.5 million increase in deferred inflows of resources was primarily related to Timing Differences and an increase in the fair value of financial instruments.

Results of Operations

MEAG Power's Statement of Net Revenues for each of the years ended December 31, 2024, 2023 and 2022 is summarized below (in thousands):

	2024	2023	2022
Revenues:			
Participant	**$ 775,366**	$692,697	$874,545
Other	**460,503**	184,908	99,840
Total revenues	**1,235,869**	877,605	974,385
Operating expenses	**951,848**	687,928	722,685
Net operating revenues	**284,021**	189,677	251,700
Non-operating expense, net	**147,470**	47,269	172,616
Change in net costs to be recovered from Participants or Competitive Trust obligations	**136,551**	142,408	79,084
Net Revenues	**$ —**	$ —	$ —

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

The primary changes in MEAG Power's results of operations for the years ended December 31, 2024 and 2023 were as follows:

2024 COMPARED WITH 2023

Revenues

Total revenues were $1.2 billion, an increase of 40.8% during 2024, compared with $877.6 million for 2023. Primary factors were:

- Billings for debt service, and other fixed and variable costs pertaining to Vogtle Units 3&4 increased $252.7 million.
- Energy delivered to MEAG Power Participants increased 14.5% during 2024 mainly due to high-density loads.
- Pseudo Schedule and Services Agreement energy sales increased $32.0 million.
- MEAG Power's share of spent fuel litigation damage recoveries from the U.S Government totaling $54.4 million pertaining to Hatch Units 1&2 and Vogtle Units 1&2 (see Note 2 (G), "Generation and Transmission Facilities").

Operating Expenses

Operating expenses totaled $951.8 million during 2024, an increase of 38.4% from $687.9 million during 2023:

- Total fuel expense increased $18.6 million due mainly to nuclear fuel expense, which increased $32.3 million due to Vogtle Units 3&4 being in commercial operation. This was partially offset by a $12.7 million decrease in coal expense related to a decrease in market prices for natural gas, which lowered coal usage.
- An increase of $25.2 million in purchased power was primarily due to new energy demand related to high-density loads. A secondary factor was related to required coal generation dispatch in 2023 in order to maintain levels under maximum inventory requirements. No forced dispatch was needed at Scherer Units 1&2 in 2024. The dispatch flexibility allowed for wholesale power purchases below system resource costs.
- Other generating and operating expense increased $91.1 million primarily due to Vogtle Units 3&4 being in operation for a longer period of time.
- An increase of $134.7 million in depreciation and amortization expense was mainly due to a higher depreciation rate for Scherer Units 1&2 and Vogtle Units 3&4 being in commercial operation.

Non-Operating Expense (Income), net

Included in non-operating expense (income), net, is 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, which totaled $147.5 million during 2024. This $100.2 million increase from the total of $47.3 million for 2023 was due primarily to changes in these components:

- Investment income increased $33.8 million due mainly to higher market interest rates and higher investment balances.
- Higher interest rates were also a primary factor in the slower growth of the fair value of financial instruments with the net change decreasing $36.5 million.
- Capitalized interest decreased $91.2 million primarily due to Vogtle Units 3&4 being in commercial operation.

Net Costs to Be Recovered or Competitive Trust Obligations

The change in net costs to be recovered from Participants or Competitive Trust obligations was $136.6 million for 2024 and $142.4 million for 2023, primarily related to the change in Timing Differences (see "Liabilities and Deferred Inflows of Resources").

2023 COMPARED WITH 2022

Total revenues were $877.6 million during 2023, compared with $974.4 million for 2022, a decrease of 9.9%:

Revenues

- Participant revenues decreased $181.8 million, or 20.8%, primarily due to the accounting treatment of the net change in the fair value of financial instruments of $173.7 million (see "Non-Operating Expense (Income), net"), and reductions in Participant billings for purchased power related to supplemental bulk supply and fuel totaling $93.1 million (see "Operating Expenses"). These factors were partially offset by billing increases of $51.7 million in debt service and other fixed costs, as well as $4.5 million in Unit 3 fuel costs pertaining to the Project M Participants in Vogtle Units 3&4.
- An $85.1 million increase in other revenues was mainly due to billings for debt service and other fixed costs of $73.3 million under the Vogtle Units 3&4 power purchase agreements pertaining to JEA and PowerSouth, and $8.9 million in Unit 3 fuel costs.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

Operating Expenses

During 2023, operating expenses decreased 4.8% to $687.9 million, compared with $722.7 million for 2022:

- A $75.4 million decrease in purchased power was primarily due to lower prices and the availability of coal generation due to inventories changing from minimum to maximum capacity levels.
- Total fuel expense decreased $17.7 million, primarily due to a $27.7 million decrease in natural gas expense, which was partially offset by a $8.3 million increase in nuclear fuel expense. The decrease in natural gas expense was primarily due to lower gas prices, which was partially offset by a 26.5% increase in generation at the Wansley Combined Cycle Facility (CC Facility) mainly due to fewer scheduled outages and market conditions. The increase in nuclear fuel expense was mainly due to generation from Vogtle Unit 3 after the unit achieved commercial operation, which was partially offset by a reduction in fuel used in other nuclear units due to scheduled maintenance.
- Depreciation and amortization increased $28.2 million primarily due to the following increases:
  - $16.6 million in depreciation expense mainly due to Unit 3 entering commercial operation.
  - $6.1 million in ARO due to normal accretion.
  - $6.3 million in amortization of regulatory assets.
- Other generating and operating expense increased $21.2 million, primarily due to Unit 3 operating expenses, which were partially offset by a decrease in scheduled major maintenance performed on the CC Facility.

Non-Operating Expense (Income), net

Non-operating expense (income), net, totaled $47.3 million during 2023. This $125.3 million decrease from the total of $172.6 million for 2022 was due primarily to changes in these components:

- A $173.7 million increase in the fair value of financial instruments was mainly due to an increase in the market value of securities held in the decommissioning trust account. An increase in Vogtle Units 3&4 reserve accounts was also a factor.
- Investment income increased $24.6 million, primarily driven by higher investment balances and interest rates over 2023 compared with 2022.
- Interest expense increased $55.0 million, primarily due to 2023 and 2022 bond issuances and higher variable interest rates.
- A $15.4 million decrease in capitalized interest was primarily due to Unit 3 entering commercial operation.

Net Costs to Be Recovered or Competitive Trust Obligations

The change in net costs to be recovered from Participants or Competitive Trust obligations was $142.4 million and $79.1 million for years ended December 31, 2023 and 2022, respectively. The net costs to be recovered portion that pertained to the Vogtle Units 3&4 Projects and Project Entities was related to Timing Differences and non-operating expense (income), net. The change in Competitive Trust obligations was immaterial in both years.

Energy Resources

Solar Initiative

In 2021, MEAG Power entered into a Power Purchase Agreement (PPA) with Pineview Solar LLC (Pineview) for the off-take of energy, capacity and environmental attributes from an 80 MW solar facility with a commercial operation date (COD) initially forecasted to occur by 2024. The contract price was fixed for a term of 20 years. Twenty-three Participants entered into Power Purchase Contracts with MEAG Power for an entitlement share of the solar energy from this PPA.

MEAG Power's project with Pineview was impacted by increased photovoltaic module prices resulting from trade restrictions and related supply chain issues. In an effort to continue development of the project, MEAG Power entered into an amendment in each of 2022 and 2023 to the PPA that adjusted the contract price, changed the guaranteed COD to November 1, 2024, and shortened the term of the PPA to 15 years. Approval by 22 Participants was achieved in June 2023 for the second amendment, and the entitlement share of one dissenting Participant was allocated to eight of the 22 Participants.

In 2024, with MEAG Power's consent, Pineview was sold to Linea Energy Development Co. LLC. Prior to the sale, MEAG Power entered into a third amendment to the PPA, which was approved by the 22 Participants in October 2024, adjusting the contract price, providing for additional security during construction, changing the guaranteed COD to January 31, 2026, and providing additional delay damages. Groundbreaking of the Pineview Solar Facility occurred on November 13, 2024, and construction is underway. Initial synchronization to the grid for testing is expected in the fourth quarter of 2025.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

SEEM

MEAG Power participates with many of the electric service providers in the U.S. Southeast in the Southeast Energy Exchange Market (SEEM), which began operations in 2022. SEEM is an extension of the existing bilateral market where participants use an automated, intra-hour energy exchange to buy and sell power close to the time the energy is consumed, utilizing available unreserved transmission capacity.

MEAG Power is participating in the market as a member, along with 17 other members. SEEM's members include 23 entities in parts of 12 states with more than 180,000 MW of capacity.

In July 2023, the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) vacated certain orders of the Federal Energy Regulatory Commission (FERC) related to SEEM and remanded the proceeding to FERC. On March 14, 2025, FERC issued an order affirming its approval of the establishment of SEEM. This ruling will be subject to review by the D.C. Circuit, and the timeline for final resolution of this issue is unknown. In view of the low level of trading activity by MEAG Power involving SEEM, MEAG Power does not believe that the outcome of these proceedings will have a material impact on its business operations or financial results.

Power Market Trading

Effective March 31, 2024, MEAG Power withdrew as a member of The Energy Authority. On May 31, 2024, MEAG Power transitioned its market trading activities to Alliance for Cooperative Energy Services Power Marketing, LLC (ACES). The ACES business model will enable MEAG Power to provide financial support for market trading activities related solely to its Participants' energy needs, which supports MEAG Power's approach to managing risk in this rapidly changing market environment.

Extreme Weather Preparedness

MEAG Power plans for the occurrence of extreme weather events in an effort to mitigate potential impacts of these events on its system reliability. Examples of such extreme weather events are tropical storms, hurricanes, tornadoes and droughts. MEAG Power's electric generation and transmission facilities are not in locations with historical exposure to wildfires. MEAG Power supplies the electric demand and associated energy requirements of the Participants from nine electric generating units that are diverse in respect of fuel type, technology and location. MEAG Power plans its system to ensure that a 15% reserve margin is achieved that provides available supply above projected needs. The nuclear- and coal-powered generating units, as well as hydroelectric generating facilities from which MEAG Power receives energy, have on-site fuel supplies that reduce fuel supply risk and decrease exposure to volatility in fuel prices during these events. In addition, MEAG Power may purchase from, or exchange with other bulk electric suppliers additional capacity and energy to enhance the Participants' bulk power supply through electric transmission facilities that, together with those of other utilities, form a statewide, integrated transmission system.

Capital Program

MEAG Power's PP&E includes nuclear, coal and natural gas generating units, as well as transmission, distribution and other plant facilities. PP&E investment net of accumulated depreciation, as well as CWIP balances as of December 31, 2024, were as follows (in thousands):

	Net Plant in service	Total CWIP
Nuclear	$5,498,750	$1,370,097
Coal	446,899	29,922
Natural gas	141,761	10,069
Transmission	485,052	54,676
Distribution	235,506	26 ,658
General/other plant	21,270	6,286
Total	$6,829,238	$1,497,708

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

Financing Activities

Funds generated from operations are estimated to provide approximately 49% of construction expenditures in 2025, 43% in 2026 and 44% in 2027, for Project One, the General Resolution Projects and the CC Project, collectively. The remaining expenditures will be met by issuing long-term bonds and utilizing MEAG Power's existing commercial paper (CP) program and bank revolving credit facilities. Billings for fixed and variable costs of Vogtle Units 3&4 are being made in accordance with the applicable Wholesale Power Sales Agreements and power purchase agreements, as discussed in Note 1 (D). To meet short-term cash needs and contingencies, $517.4 million of unused credit was available through credit facilities and other arrangements with banks (collectively, the Credit Arrangements) as of December 31, 2024, as described in "Liquidity and Capital Resources."

In January 2024, MEAG Power issued the following Project One and General Resolution Projects CP Notes under its Bond Anticipation Notes (BANs) Resolutions, to fund construction expenditures and refund existing debt (in thousands):

	BANs, Series B
Project One	$100,000
General Resolution Projects	10,500
Total	$110,500

In October 2024, MEAG Power issued the following Project One Subordinated Bonds, Series 2024A and General Resolution Projects Subordinated Bonds, Series 2024A to (a) finance certain capital improvements, (b) refund certain senior and subordinated lien bonds and (c) repay outstanding CP and amounts under certain revolving credit notes (in thousands):

Project One	$376,705
General Resolution Projects	21,700
Total	$398,405

The unenhanced ratings and outlook assigned to MEAG Power's senior lien and subordinated debt obligations as of May 12, 2025 are as follows:

		Fitch Ratings		Moody's Investors Service		Standard & Poor's	
Project	Lien	Rating	Outlook	Rating	Outlook	Rating	Outlook
Project One	Senior	A	Stable	A1	Stable	A	Stable
	Subordinated	A-	Stable	A2	Stable	A-	Stable
General Resolution Projects	Senior	A	Stable	A1	Stable	A	Stable
	Subordinated	A-	Stable	A2	Stable	A-	Stable
Combined Cycle Project	Senior	A-	Stable	A1	Stable	A-	Stable
Vogtle Units 3&4 Projects:							
Project M	Senior	A-	Stable	A2	Stable	A	Stable
Project J	Senior	A-	Stable	A3	Stable	A	Stable
Project P	Senior	BBB+	Stable	Baa2	Stable	BBB+	Stable

Management's Discussion and Analysis of Financial Condition and Results of Operations (Unaudited)

Additional information pertaining to MEAG Power's debt balances is provided in Note 5, "Long- and Short-Term Debt, Credit Agreements and Interest Rate Swaps" (Note 5).

Liquidity and Capital Resources

MEAG Power generally funds its liquidity need for substantial cash flow from operating activities, access to the capital markets, credit facilities and special funds deposit balances. At December 31, 2024, MEAG Power had $3.0 billion of special funds deposits, of which $1.7 billion was available to fund various operating, construction, debt service and contingency requirements. Within the Competitive Trust, $594.4 million was invested and may be used by Participants to, among other things, fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by such Participants, as well as funding of capacity purchases proposed by MEAG Power, purchase of additional entitlement shares or obligation shares of existing MEAG Power projects, and for mitigation of certain bulk power supply cost increases. A portion of the $594.4 million is contained within the Flexible Operating Account, which is also available to the Participants through the Competitive Trust but not subject to the foregoing restrictions (see Note 1, section (E), "Municipal Competitive Trust"). Investments in the Decommissioning Trust funds (see Note 2, section (H), "Asset Retirement Obligations and Decommissioning") totaled $695.0 million.

The aggregate commitments under Credit Arrangements with banks at December 31, 2024, totaled $612.5 million, of which $95.1 million was drawn with the remaining $517.4 million available. An additional credit agreement provided liquidity support to $148.1 million of outstanding variable-rate demand obligations. All of the Credit Arrangements mature at various dates in 2025 through 2027, and management expects to renew or replace the facilities as needed prior to expiration. For additional information regarding available credit, see Note 5.

During 2025 through 2027, maturities of long-term debt and sinking fund redemptions are expected to total $386.8 million. These requirements will be included in the appropriate year's budgeted revenue requirements, as applicable, and collected from the Participants, as well as from JEA and PowerSouth, in the case of Project J and Project P, respectively.

When considering the risks associated with liquidity and capital, MEAG Power is susceptible to changes in the interest rate environment. In rising interest rate markets, MEAG Power may be impacted by increases in costs associated with variable-rate debt and new debt issuances. These increases would be somewhat offset by increases in income earned on MEAG Power's investment portfolio. Conversely, when rates decline, MEAG Power may experience decreases in both the cost of some debt and the earnings on some investments.

To partially mitigate this risk, MEAG Power occasionally implements hedges that help to stabilize the impact of these interest rate fluctuations. In addition, MEAG Power maintains an investment-grade credit rating and strong liquidity position, which provide access to competitive funding options.

Estimated construction and financing expenditures for Project One, the General Resolution Projects and the CC Project in the aggregate are $259.0 million, $255.3 million and $251.7 million for the years 2025, 2026 and 2027, respectively. These expenditures are related to capital improvements at existing generating units and investments in transmission facilities. Actual construction costs may vary from the estimates due to factors such as changes in economic conditions; updated load forecasts; and the cost of construction labor, equipment and materials. Also included in the estimates are the costs necessary to comply with certain environmental regulations, as described in the "Environmental Regulations" section of Note 7. MEAG Power's remaining site demobilization, contractor obligations and contingency costs for Vogtle Units 3&4, for 2025 are $20.1 million. As discussed in "Capital Program," CWIP as of December 31, 2024 totaled $1.5 billion.

2024 CONSOLIDATED BALANCE SHEET

December 31, 2024 ASSETS (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Property, plant and equipment, at cost:							
In service	**$3,643,964**	**$1,187,036**	**$333,518**	**$4,710,406**	**$ —**	**$ —**	**$9,874,924**
Less accumulated depreciation	**(2,038,340)**	**(734,613)**	**(191,757)**	**(80,976)**	**—**	**—**	**(3,045,686)**
Property in service, net	**1,605,624**	**452,423**	**141,761**	**4,629,430**	**—**	**—**	**6,829,238**
Construction work in progress	**199,775**	**34,984**	**10,069**	**1,252,880**	**—**	**—**	**1,497,708**
Nuclear fuel, net of accumulated amortization	**152,370**	**20,475**	**—**	**101,596**	**—**	**—**	**274,441**
Total property, plant and equipment, net	**1,957,769**	**507,882**	**151,830**	**5,983,906**	**—**	**—**	**8,601,387**
Other non-current assets:							
Special funds, including cash and cash equivalents	**816,440**	**109,388**	**31,610**	**588,097**	**232,604**	**—**	**1,778,139**
Other receivables	**—**	**—**	**—**	**42**	**—**	**—**	**42**
Net costs to be recovered from Participants	**120,528**	**52,559**	**—**	**652,097**	**—**	**—**	**825,184**
Unamortized bond issuance costs	**7,416**	**1,172**	**172**	**54,317**	**—**	**—**	**63,077**
Total other non-current assets	**944,384**	**163,119**	**31,782**	**1,294,553**	**232,604**	**—**	**2,666,442**
Current assets:							
Special funds, including cash and cash equivalents	**377,651**	**73,151**	**24,722**	**331,767**	**361,770**	**—**	**1,169,061**
Supplemental power account, including cash and cash equivalents	**11,255**	**—**	**—**	**—**	**—**	**—**	**11,255**
Receivables from Participants	**42,617**	**10,790**	**8,329**	**—**	**—**	**—**	**61,736**
Other receivables	**32,584**	**11,301**	**1,216**	**33,806**	**—**	**(27,746)**	**51,161**
Fuel stocks, at average cost	**7,776**	**15,207**	**—**	**517**	**—**	**—**	**23,500**
Materials, supplies and other assets	**93,669**	**13,861**	**13,422**	**36,767**	**—**	**—**	**157,719**
Total current assets	**565,552**	**124,310**	**47,689**	**402,857**	**361,770**	**(27,746)**	**1,474,432**
Total assets	**3,467,705**	**795,311**	**231,301**	**7,681,316**	**594,374**	**(27,746)**	**12,742,261**
Deferred outflows of resources:							
Accumulated decrease in fair value of hedging derivatives instruments	**14,612**	**—**	**(1,733)**	**—**	**—**	**—**	**12,879**
Unamortized loss on refunded debt	**2,736**	**—**	**40**	**—**	**—**	**—**	**2,776**
Pensions and other postemployment benefits	**7,234**	**1,379**	**413**	**1,054**	**—**	**—**	**10,080**
Asset retirement obligations	**(4,194)**	**71,972**	**—**	**68,967**	**—**	**—**	**136,745**
Total deferred outflows of resources	**20,388**	**73,351**	**(1,280)**	**70,021**	**—**	**—**	**162,480**
Total Assets and Deferred Outflows of Resources	**$3,488,093**	**$ 868,662**	**$230,021**	**$7,751,337**	**$594,374**	**$(27,746)**	**$12,904,741**

The accompanying Notes are an integral part of these consolidated financial statements.

2024 CONSOLIDATED BALANCE SHEET

December 31, 2024 LIABILITIES (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Long-term debt:							
Senior debt	**$ 217,885**	**$ 80,740**	**$ 19,555**	**$7,111,343**	**$ —**	**$ —**	**$7,429,523**
Unamortized (discount) premium, net	**8,042**	**1,942**	**2,627**	**168,665**	**—**	**—**	**181,276**
Total senior debt	**225,927**	**82,682**	**22,182**	**7,280,008**	**—**	**—**	**7,610,799**
Subordinated debt	**1,427,506**	**195,420**	**—**	**—**	**—**	**—**	**1,622,926**
Unamortized (discount) premium, net	**121,181**	**18,705**	**—**	**—**	**—**		**139,886**
Total subordinated debt	**1,548,687**	**214,125**	**—**	**—**	**—**	**—**	**1,762,812**
Total long-term debt	**1,774,614**	**296,807**	**22,182**	**7,280,008**	**—**	**—**	**9,373,611**
Non-current liabilities:							
Asset retirement obligations	**528,468**	**143,935**	**—**	**75,330**	**—**	**—**	**747,733**
Competitive Trust obligations	**—**	**—**	**—**	**—**	**230,898**	**—**	**230,898**
Other	**22,894**	**582**	**183**	**667**	**97**	**—**	**24,423**
Total non-current liabilities	**551,362**	**144,517**	**183**	**75,997**	**230,995**	**—**	**1,003,054**
Current liabilities:							
Accounts payable	**79,849**	**7,328**	**18,050**	**150,337**	**1,638**	**(27,746)**	**229,456**
Construction liabilities	**49,465**	**3,502**	**—**	**—**	**—**	**—**	**52,967**
Current portion of long-term debt	**81,009**	**21,615**	**4,335**	**117,132**	**—**	**—**	**224,091**
Lines of credit and short-term debt	**14,735**	**10,565**	**—**	**—**	**—**	**—**	**25,300**
Competitive Trust obligations	**—**	**—**	**—**	**—**	**361,741**	**—**	**361,741**
Accrued interest	**32,949**	**6,698**	**192**	**126,050**	**—**	**—**	**165,889**
Total current liabilities	**258,007**	**49,708**	**22,577**	**393,519**	**363,379**	**(27,746)**	**1,059,444**
Commitments and contingencies (Note 7)	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total liabilities	**2,583,983**	**491,032**	**44,942**	**7,749,524**	**594,374**	**(27,746)**	**11,436,109**
Deferred inflows of resources	**904,110**	**377,630**	**185,079**	**1,813**	**—**	**—**	**1,468,632**
Total Liabilities and Deferred Inflows of Resources	**$3,488,093**	**$868,662**	**$230,021**	**$7,751,337**	**$594,374**	**$(27,746)**	**$12,904,741**

The accompanying Notes are an integral part of these consolidated financial statements.

2024 CONSOLIDATED STATEMENT OF NET REVENUES

For the Year Ended December 31, 2024 (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Revenues:							
Participant	**$350,077**	**$156,468**	**$ 96,785**	**$ 172,036**	**$—**	**$—**	**$ 775,366**
Other	**80,756**	**33,433**	**3,060**	**343,254**	**—**	**—**	**460,503**
Total revenues	**430,833**	**189,901**	**99,845**	**515,290**	**—**	**—**	**1,235,869**
Operating expenses:							
Fuel	**60,992**	**40,908**	**71,147**	**44,037**	**—**	**—**	**217,084**
Purchased Power	**62,176**	**—**	**—**	**—**	**—**	**—**	**62,176**
Other generating and operating expense	**151,248**	**54,873**	**22,436**	**100,718**	**—**	**—**	**329,275**
Transmission	**32,978**	**—**	**—**	**—**	**—**	**—**	**32,978**
Depreciation and amortization	**137,415**	**94,370**	**9,087**	**69,463**	**—**	**—**	**310,335**
Total operating expenses	**444,809**	**190,151**	**102,670**	**214,218**	**—**	**—**	**951,848**
Net operating revenues (loss)	**(13,976)**	**(250)**	**(2,825)**	**301,072**	**—**	**—**	**284,021**
Non-operating expense (income), net:							
Interest expense	**75,861**	**13,998**	**1,879**	**379,474**	**—**	**—**	**471,212**
Amortization of debt discount and expense	**(14,269)**	**(3,686)**	**(1,410)**	**(7,394)**	**—**	**—**	**(26,759)**
Investment income	**(40,022)**	**(6,739)**	**(2,720)**	**(33,871)**	**(93)**	**—**	**(83,445)**
Net change in the fair value of financial instruments	**(30,517)**	**(3,061)**	**(574)**	**(1,692)**	**—**	**—**	**(35,844)**
Interest capitalized	**(5,029)**	**(762)**	**—**	**(117,130)**	**—**	**—**	**(122,921)**
U.S. Treasury cash subsidy on Build America Bonds	**—**	**—**	**—**	**(54,773)**	**—**	**—**	**(54,773)**
Total non-operating expense (income), net	**(13,976)**	**(250)**	**(2,825)**	**164,614**	**(93)**	**—**	**147,470**
Change in:							
Net costs to be recovered from Participants	**—**	**—**	**—**	**136,458**	**—**	**—**	**136,458**
Competitive Trust obligations	**—**	**—**	**—**	**—**	**93**	**—**	**93**
Total change in net costs to be recovered from Participants or Competitive Trust obligations	**—**	**—**	**—**	**136,458**	**93**	**—**	**136,551**
Net Revenues	**$ —**	**$ —**	**$ —**	**$ —**	**$—**	**$—**	**$ —**

The accompanying Notes are an integral part of these consolidated financial statements.

2024 CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024 (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Cash flows from operating activities:							
Cash received from Participants	**$ 455,508**	**$121,461**	**$103,379**	**$189,170**	**$ (16)**	**$—**	**$ 869,502**
Cash received from others	**51,850**	**23,876**	**1,493**	**373,267**	**—**	**—**	**450,486**
Cash paid for operating expenses	**(239,035)**	**(83,579)**	**(90,667)**	**(90,794)**	**(241)**	**—**	**(504,316)**
Net cash provided by (used in) operating activities	**268,323**	**61,758**	**14,205**	**471,643**	**(257)**	**—**	**815,672**
Cash flows from investing activities:							
Sales and maturities of investment securities	**182,534**	**27,561**	**30,405**	**183,179**	**419,357**	**—**	**843,036**
Purchase of investment securities	**(196,276)**	**(47,553)**	**(14,365)**	**(179,267)**	**(411,178)**	**—**	**(848,639)**
Investment income receipts	**28,099**	**5,403**	**2,625**	**31,457**	**16,742**	**—**	**84,326**
Distribution from Alliance	**32,176**	**—**	**104**	**—**	**—**	**—**	**32,280**
Net withdrawals from the Competitive Trust	**—**	**—**	**—**	**—**	**(46,851)**	**—**	**(46,851)**
Net cash provided by investing activities	**46,533**	**(14,589)**	**18,769**	**35,369**	**(21,930)**	**—**	**64,152**
Cash flows from capital and related financing activities:							
Property additions	**(229,453)**	**(34,950)**	**(629)**	**(100,695)**	**—**	**—**	**(365,727)**
Net proceeds (payments) on lines of credit and short-term debt	**(3,265)**	**3,566**	**—**	**—**	**—**	**—**	**301**
Proceeds from issuance of long-term debt	**415,865**	**14,275**	**—**	**69,800**	**—**	**—**	**499,940**
Retirement of long-term debt	**(189,653)**	**(18,699)**	**(21,115)**	**(77,642)**	**—**	**—**	**(307,109)**
Interest payments	**(72,595)**	**(14,170)**	**(1,996)**	**(381,072)**	**—**	**—**	**(469,833)**
U.S. Treasury cash subsidy on Build America Bonds	**—**	**—**	**—**	**54,947**	**—**	**—**	**54,947**
Net cash used in capital and related financing activities	**(79,101)**	**(49,978)**	**(23,740)**	**(434,662)**	**—**	**—**	**(587,481)**
Increase (decrease) in cash and cash equivalents	**235,755**	**(2,809)**	**9,234**	**72,350**	**(22,187)**	**—**	**292,343**
Cash and cash equivalents at beginning of year	**266,620**	**87,287**	**40,025**	**519,428**	**38,791**	**—**	**952,151**
Cash and cash equivalents at end of year	**502,375**	**84,478**	**49,259**	**591,778**	**16,604**	**—**	**1,244,494**
Other investment securities and accrued interest receivable at end of year	**702,971**	**98,061**	**7,073**	**328,086**	**577,770**	**—**	**1,713,961**
Special funds and supplemental power account at end of year	**$1,205,346**	**$182,539**	**$ 56,332**	**$919,864**	**$594,374**	**$—**	**$2,958,455**
Reconciliation of net operating revenues (loss) to net cash provided by (used in) operating activities:							
Net operating revenues (loss)	**$ (13,976)**	**$ (250)**	**$ (2,825)**	**$301,072**	**$ —**	**$—**	**$ 284,021**
Adjustments to reconcile net operating revenues (loss) to net cash from operating activities:							
Depreciation and amortization	**179,619**	**101,328**	**9,087**	**113,500**	**—**	**—**	**403,534**
Pensions and other postemployment benefits	**840**	**265**	**79**	**217**	**—**	**—**	**1,401**
Deferred inflows of resources	**101,698**	**(42,139)**	**9,614**	**—**	**—**	**—**	**69,173**
Share of net revenues from Alliance	**(5,011)**	**—**	**—**	**—**	**—**	**—**	**(5,011)**
Change in current assets and liabilities:							
Accounts receivable	**(25,389)**	**(10,113)**	**(3,015)**	**(8,971)**	**(15)**	**—**	**(47,503)**
Fuel stocks	**4,242**	**8,521**	**—**	**(242)**	**—**	**—**	**12,521**
Materials, supplies and other assets	**(1,754)**	**892**	**486**	**60**	**—**	**—**	**(316)**
Accounts payable and other liabilities	**28,054**	**3,254**	**779**	**66,007**	**(242)**	**—**	**97,852**
Net cash provided by (used in) operating activities	**$ 268,323**	**$ 61,758**	**$ 14,205**	**$471,643**	**$ (257)**	**$—**	**$ 815,672**

The accompanying Notes are an integral part of these consolidated financial statements.

2023 CONSOLIDATED BALANCE SHEET

December 31, 2023 ASSETS (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Property, plant and equipment, at cost:							
In service	$3,546,269	$1,189,242	$333,459	$2,757,437	$ —	$ —	$ 7,826,407
Less accumulated depreciation	(1,967,886)	(652,266)	(182,831)	(16,018)	—	—	(2,819,001)
Property in service, net	1,578,383	536,976	150,628	2,741,419	—	—	5,007,406
Construction work in progress	177,761	17,395	9,660	3,130,432	—	—	3,335,248
Nuclear fuel, net of accumulated amortization	136,997	18,222	—	126,439	—	—	281,658
Total property, plant and equipment, net	1,893,141	572,593	160,288	5,998,290	—	—	8,624,312
Other non-current assets:							
Investment in Alliance	27,165	—	104	—	—	—	27,269
Special funds, including cash and cash equivalents	741,414	101,642	33,442	536,030	250,759	—	1,663,287
Other receivables	—	—	—	42	—	—	42
Net costs to be recovered from Participants	115,620	51,588	—	676,859	—	—	844,067
Unamortized bond issuance costs	5,948	1,265	275	57,250	—	—	64,738
Total other non-current assets	890,147	154,495	33,821	1,270,181	250,759	—	2,599,403
Current assets:							
Special funds, including cash and cash equivalents	164,926	59,320	29,026	311,289	359,763	—	924,324
Supplemental power account, including cash and cash equivalents	7,088	—	—	—	—	—	7,088
Securities lending collateral	117	14	—	—	—	—	131
Receivables from Participants	41,123	10,234	6,738	5,334	—	—	63,429
Other receivables	8,689	1,744	—	30,782	—	(16,593)	24,622
Fuel stocks, at average cost	12,018	23,728	—	275	—	—	36,021
Materials, supplies and other assets	92,415	15,349	9,482	20,898	—	—	138,144
Total current assets	326,376	110,389	45,246	368,578	359,763	(16,593)	1,193,759
Total assets	3,109,664	837,477	239,355	7,637,049	610,522	(16,593)	12,417,474
Deferred outflows of resources:							
Accumulated decrease in fair value of hedging derivative instruments	28,599	—	2,693	—	—	—	31,292
Unamortized loss on refunded debt	3,720	—	65	—	—	—	3,785
Pensions and other postemployment benefits	9,786	2,186	653	1,713	—	—	14,338
Asset retirement obligations	123,265	85,177	—	44,446	—	—	252,888
Total deferred outflows of resources	165,370	87,363	3,411	46,159	—	—	302,303
Total Assets and Deferred Outflows of Resources	$3,275,034	$ 924,840	$242,766	$7,683,208	$610,522	$(16,593)	$12,719,777

The accompanying Notes are an integral part of these consolidated financial statements.

2023 CONSOLIDATED BALANCE SHEET

December 31, 2023 LIABILITIES (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Long-term debt:							
Senior debt	$ 260,105	$ 86,615	$ 23,890	$7,128,675	$ —	$ —	$ 7,499,285
Unamortized (discount) premium, net	9,790	2,449	4,139	178,993	—	—	195,371
Total senior debt	269,895	89,064	28,029	7,307,668	—	—	7,694,656
Subordinated debt	1,207,418	196,055	—	—	—	—	1,403,473
Unamortized (discount) premium, net	93,752	20,104	—	—	—	—	113,856
Total subordinated debt	1,301,170	216,159	—	—	—	—	1,517,329
Total long-term debt	1,571,065	305,223	28,029	7,307,668	—	—	9,211,985
Non-current liabilities:							
Asset retirement obligations	632,307	156,393	—	46,304	—	—	835,004
Competitive Trust obligations	—	—	—	—	249,487	—	249,487
Other	41,089	1,384	326	3,412	97	—	46,308
Total non-current liabilities	673,396	157,777	326	49,716	249,584	—	1,130,799
Current liabilities:							
Accounts payable	72,326	4,136	17,417	83,072	1,133	(16,593)	161,491
Construction liabilities	34,603	2,372	—	—	—	—	36,975
Securities lending collateral	134	16	—	—	—	—	150
Current portion of long-term debt	71,824	21,615	21,115	107,641	—	—	222,195
Lines of credit and short-term debt	18,000	7,000	—	—	—	—	25,000
Competitive Trust obligations	—	—	—	—	359,805	—	359,805
Accrued interest	30,648	6,869	333	128,406	—	—	166,256
Total current liabilities	227,535	42,008	38,865	319,119	360,938	(16,593)	971,872
Commitments and contingencies (Note 7)	—	—	—	—	—	—	—
Total liabilities	2,471,996	505,008	67,220	7,676,503	610,522	(16,593)	11,314,656
Deferred inflows of resources	803,038	419,832	175,546	6,705	—	—	1,405,121
Total Liabilities and Deferred Inflows of Resources	$3,275,034	$924,840	$242,766	$7,683,208	$610,522	$(16,593)	$12,719,777

The accompanying Notes are an integral part of these consolidated financial statements.

2023 CONSOLIDATED STATEMENT OF NET REVENUES

For the Year Ended December 31, 2023 (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Revenues:							
Participant	$342,951	$118,821	$ 97,158	$133,767	$ —	$ —	$ 692,697
Other	37,180	14,574	4,293	128,861	—	—	184,908
Total revenues	380,131	133,395	101,451	262,628	—	—	877,605
Operating expenses:							
Fuel	64,383	48,213	72,464	13,403	—	—	198,463
Purchased power	37,020	—	—	—	—	—	37,020
Other generating and operating expense	144,460	46,625	22,357	24,751	1	—	238,194
Transmission	38,587	—	—	—	—	—	38,587
Depreciation and amortization	110,148	38,516	9,124	17,876	—	—	175,664
Total operating expenses	394,598	133,354	103,945	56,030	1	—	687,928
Net operating revenues (loss)	(14,467)	41	(2,494)	206,598	(1)	—	189,677
Non-operating expense (income), net:							
Interest expense	72,266	14,243	2,719	378,504	—	—	467,732
Amortization of debt discount and expense	(14,650)	(3,908)	(2,096)	(7,862)	—	—	(28,516)
Investment income	(9,091)	(3,091)	(2,233)	(35,124)	(97)	—	(49,636)
Net change in the fair value of financial instruments	(58,837)	(6,554)	(884)	(6,074)	—	—	(72,349)
Interest capitalized	(4,155)	(649)	—	(209,354)	—	—	(214,158)
U.S. Treasury cash subsidy on Build America Bonds	—	—	—	(55,804)	—	—	(55,804)
Total non-operating expense (income), net	(14,467)	41	(2,494)	64,286	(97)	—	47,269
Change in:							
Net costs to be recovered from Participants	—	—	—	142,312	—	—	142,312
Competitive Trust obligations	—	—	—	—	96	—	96
Total change in net costs to be recovered from Participants or Competitive Trust obligations	—	—	—	142,312	96	—	142,408
Net Revenues	$ —	$ —	$ —	$ —	$ —	$ —	$ —

The accompanying Notes are an integral part of these consolidated financial statements.

2023 CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023 (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Cash flows from operating activities:							
Cash received from Participants	$438,135	$112,836	$110,508	$152,762	$ 44	$—	$ 814,285
Cash received from others	32,592	13,255	7,744	139,434	—	—	193,025
Cash paid for operating expenses	(247,317)	(90,160)	(106,492)	(3,783)	(210)	—	(447,962)
Net cash provided by (used in) operating activities	223,410	35,931	11,760	288,413	(166)	—	559,348
Cash flows from investing activities:							
Sales and maturities of investment securities	527,876	65,666	28,761	275,722	353,453	—	1,251,478
Purchase of investment securities	(490,430)	(62,767)	(26,388)	(287,321)	(355,071)	—	(1,221,977)
Investment income receipts	16,995	4,021	1,679	25,335	9,422	—	57,452
Distribution from Alliance	7,678	—	—	—	—	—	7,678
Contributions from Participants	—	—	—	—	8,070	—	8,070
Net cash provided by investing activities	62,119	6,920	4,052	13,736	15,874	—	102,701
Cash flows from capital and related financing activities:							
Property additions	(210,777)	(21,871)	1,821	(273,087)	—	—	(503,914)
Net proceeds from lines of credit and short-term debt	5,500	5,000	—	—	—	—	10,500
Proceeds from issuance of long-term debt	120,500	5,060	—	465,807	—	—	591,367
Retirement of long-term debt	(95,539)	(19,000)	(20,620)	(70,281)	—	—	(205,440)
Interest payments	(73,081)	(14,613)	(2,821)	(362,643)	—	—	(453,158)
U.S. Treasury cash subsidy on Build America Bonds	—	—	—	68,789	—	—	68,789
Net cash used in capital and related financing activities	(253,397)	(45,424)	(21,620)	(171,415)	—	—	(491,856)
Increase (decrease) in cash and cash equivalents	32,132	(2,573)	(5,808)	130,734	15,708	—	170,193
Cash and cash equivalents at beginning of year	234,488	89,860	45,833	388,694	23,083	—	781,958
Cash and cash equivalents at end of year	266,620	87,287	40,025	519,428	38,791	—	952,151
Other investment securities and accrued interest receivable at end of year	646,925	73,689	22,443	327,891	571,731	—	1,642,679
Special Funds, Supplemental Power Account and Securities Lending Collateral at End of year	$913,545	$160,976	$ 62,468	$847,319	$610,522	$—	$ 2,594,830
Reconciliation of net operating revenues (loss) to net cash provided by (used in) operating activities:							
Net operating revenues (loss)	$ (14,467)	$ 41	$ (2,494)	$206,598	$ (1)	$—	$ 189,677
Adjustments to reconcile net operating revenues (loss) to net cash from operating activities:							
Depreciation and amortization	152,386	45,084	9,124	31,279	—	—	237,873
Pensions and other postemployment benefits	531	167	50	136	—	—	884
Deferred inflows of resources	87,958	836	16,989	—	—	—	105,783
Share of net revenues from Alliance	(8,614)	—	—	—	—	—	(8,614)
Change in current assets and liabilities:							
Accounts receivable	4,965	(721)	5,464	16,506	44	—	26,258
Fuel stocks	(3,202)	(6,433)	—	(275)	—	—	(9,910)
Materials, supplies and other assets	(1,222)	1,139	(2,761)	(236)	—	—	(3,080)
Accounts payable and other liabilities	5,075	(4,182)	(14,612)	34,405	(209)	—	20,477
Net Cash Provided by (Used in) Operating Activities	$223,410	$ 35,931	$ 11,760	$288,413	$ (166)	$—	$ 559,348

The accompanying Notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

1. THE ORGANIZATION

(A) REPORTING ENTITY

The Municipal Electric Authority of Georgia (MEAG Power) is a public corporation and an instrumentality of the State of Georgia (the State or Georgia), created by the State for the purpose of owning and operating electric generation and transmission facilities to supply bulk electric power to political subdivisions of the State which owned and operated electric distribution systems as of March 18, 1975, and which contracted with MEAG Power for the purchase of wholesale power. The statute under which it was created (the Act) provides that MEAG Power will establish rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit, unless any such profit inures to the benefit of the public. Forty-eight cities and one county in the State (the Participants) have contracted with MEAG Power for bulk electric power supply needs.

MEAG Power's assets include ownership interests in nine electric generating units in service, representing 2,300 megawatts (MW) of nominally rated generating capacity, consisting of 1,308 MW of nuclear-fueled capacity, 489 MW of coal-fired capacity and 503 MW of natural gas-fired combined cycle capacity.

The ownership interest of two of the nine generating units is held in special purpose vehicles (SPVs), of which MEAG Power is the sole member of each, as discussed in the "Vogtle Units 3&4 Projects and Project Entities," section (D), of this Note (Note 1 (D)), of these Notes to Consolidated Financial Statements (Notes).

MEAG Power also owns transmission facilities that, together with those of other utilities, form a statewide, integrated transmission system (ITS).

Taken together, MEAG Power is comprised of the following projects/funds, all defined herein:

- Project One;
- General Resolution Projects;
- Combined Cycle Project;
- Vogtle Units 3&4 Projects and Project Entities; and
- Municipal Competitive Trust.

(B) PROJECT ONE AND THE GENERAL RESOLUTION PROJECTS

Project One, established and financed under the Power Revenue Bond Resolution, consists of undivided ownership interests in six generating units, separately owned transmission facilities and working capital. Projects Two, Three and Four (the General Resolution Projects), established and financed under the General Power Revenue Bond Resolution, consist of additional undivided ownership interests in four of the six generating units of Project One.

The resolutions require that payments by the Participants for electric power be deposited in special funds and be used only for operating costs, debt service and other stipulated purposes. The resolutions also establish specific funds to hold assets for payment of acquisition costs. Other funds are used to hold assets not subject to the restrictions of the resolutions but designated for specific purposes. Power Sales Contracts between MEAG Power and each of the Participants (Power Sales Contracts) require MEAG Power to provide, and the Participants to purchase from MEAG Power, bulk power supply as defined in the contracts. Each Participant is obligated to pay its share of the operating and debt service costs.

During 2004, MEAG Power and each Participant executed an amendment to their Power Sales Contracts (the Amendments) for Project One and the General Resolution Projects which, in part, extended the terms of such contracts until June 2054. The Amendments also revised the method used to allocate the output, services and costs of the General Resolution Projects after the initial term of the related Power Sales Contracts. In addition, the Amendments provided that MEAG Power not extend the term of any existing generation debt outstanding as of November 3, 2004, exclusive of certain working capital debt components, beyond March 1, 2026 for Project One and dates ranging from February 1, 2028 through November 16, 2033 for the General Resolution Projects.

Supplemental bulk power supply is that portion of the Participants' bulk power supply in excess of their entitlement to the output and related services of Project One and the General Resolution Projects. Payments received from the Participants for supplemental bulk power supply are not pledged under either resolution. Supplemental bulk power supply revenue and costs are included in the financial statements of Project One.

Inter-Participant agreements (IP agreements) are utilized by the Participants to improve their respective power supply resource mix. Four Participants have entered into long-term, life-of-the-facility IP agreements to sell the rights to a portion of their Project One output (Selling Participants) to three other Participants. The obligation of the Selling Participants to pay their share of the operating and debt service costs under their respective Project One Power Sales Contracts is not affected by entry into any IP agreements.

(C) COMBINED CYCLE PROJECT

The Combined Cycle Project (CC Project) is wholly owned by MEAG Power and consists of a natural gas-fired combined-cycle facility that has a nominal summer capacity of 503 MW. The facility, which is also known as the Wansley Combined Cycle Facility (CC Facility), includes two combustion turbines, two supplementary fired heat recovery steam generators and one steam turbine. The 37 Participants in the CC Project (CC Participants) include the initial 32 Participants (the Initial CC Participants) that entered into a CC Project Power Sales Contract (CC Project Power Sales Contract) in 2003, as well as five additional Participants that became CC Participants between 2007 and 2012 through the execution of additional CC Project Power Sales Contracts and assignment agreements with certain of the Initial CC Participants with respect to portions of such Initial CC Participants' interests in the output of the CC Project. MEAG Power and each of the CC Participants have amended their applicable CC Project Power Sales Contract, which allows MEAG Power to utilize a credit facility for the purpose of funding, on an interim basis, certain CC Project costs, including fuel costs, capital costs and working capital requirements.

(D) VOGTLE UNITS 3&4 PROJECTS AND PROJECT ENTITIES

Background

Vogtle Unit No. 3 (Unit 3) and Vogtle Unit No 4 (Unit 4) are located in Burke County, Georgia, and consist of two Westinghouse Electric Company LLC AP1000 nuclear generating units, Vogtle Units 3&4, each with a nominally rated generating capacity of 1,102 MW. The units entered commercial operation on July 31, 2023 and April 29, 2024, respectively. Collectively, Unit 3 and Unit 4 are referred to herein as Vogtle Units 3&4.

Through three SPVs, MEAG Power holds a 22.7% undivided ownership interest in Vogtle Units 3&4, representing 500.308 MW of nominally rated generating capacity, for the purpose of serving the future loads of the Participants.

MEAG Power, through the SPVs, co-owns the units with Georgia Power Company (GPC), Oglethorpe Power Corporation (an Electric Membership Corporation) (OPC) and the City of Dalton, Georgia (Dalton). MEAG Power, GPC, OPC and Dalton are referred to herein as the Original Vogtle Co-Owners. The Original Vogtle Co-Owners appointed GPC as their agent to develop, construct, operate and maintain Vogtle Units 3&4. The U.S. Nuclear Regulatory Commission (NRC) issued Combined Construction and Operating Licenses for the units in 2012.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Structure, DOE Guaranteed Loans and Recent Bond Financing

Vogtle Units 3&4 Projects

Since a portion of the output and services of MEAG Power's interest in Vogtle Units 3&4 initially was expected to be surplus to the Participants' needs, for the initial 20 years of commercial operation of each of Vogtle Units 3&4, MEAG Power sold 66.1% of the output and services associated with its Vogtle Units 3&4 interest through take-or-pay power purchase agreements (as amended, each a PPA) to two buyers, as discussed below. MEAG Power structured its ownership interest in Vogtle Units 3&4 as three separate projects, Project M, Project J and Project P, collectively referred to herein as the Vogtle Units 3&4 Projects and summarized as follows:

Vogtle Units 3&4 Projects	PPA Buyer	Percentage of MEAG Power's Total Ownership	MW	Output and Services
Project M	Not Applicable	33.9%	169.5	(1)
Project J	JEA	41.2%	206.0	(2)
Project P	PowerSouth	24.9%	124.8	(2)

(1) Commencing on July 31, 2023 and April 29, 2024, with Unit 3 and Unit 4's commercial operation date (COD), respectively, Project M's output and services are provided to 29 Participants, in accordance with take-or-pay Project M Power Sales Contracts (Project M Participants). The Project M Participants are responsible for payment of their respective shares of all of MEAG Power's costs relating to Project M. The payment obligations of each of the Project M Participants are general obligations to which its full faith and credit are pledged. Each Project M Power Sales Contract, as amended and discussed in the "Vogtle Units 3&4 Project Entities" section of this Note, will continue in full force and effect for a term not to exceed 50 years from December 31, 2014.

(2) Project J output and services are provided to JEA, a publicly owned electric, water and wastewater (sewer) utility and an independent agency of the City of Jacksonville, Florida (Jacksonville), and the Project J Participants, and the Project P output and services are provided to PowerSouth Energy Cooperative (PowerSouth), a rural electric generation and transmission cooperative located in Andalusia, Alabama, and the Project P Participants. The Project J and Project P Participants are defined below. For a period of 20 years, commencing with Unit 3's COD and a separate 20-year period commencing with Unit 4's COD, the Amended and Restated Power Purchase Agreement (as amended, the Project J PPA) and the Project P PPA require: (a) MEAG Power to sell to JEA and PowerSouth all of the capacity, energy and related services of Project J and Project P, respectively, of each of Unit 3 and Unit 4 and (b) JEA and PowerSouth to pay to MEAG Power 100% of Project J's and Project P's total Annual Costs (as defined in the applicable PPA) in a given year. In the event that MEAG Power issues Project J or Project P bonds for either or both of Unit 3 and Unit 4 after their respective CODs, or issues refunding bonds for Project J or Project P, the time periods during which JEA or PowerSouth, respectively, is obligated under the applicable PPA regarding Project J and Project P Debt Service on such bonds may differ from the 20-year time periods described above.

The Project J Participants and the Project P Participants are required to pay the principal of and interest on each series of Project J or Project P Bonds, as applicable, and on each advance under the respective Project Entity's (see the "DOE Loan Guarantee" section of this Note) DOE Guaranteed Loan, commencing with the month following the last month for which JEA or PowerSouth, as applicable, is obligated to pay such principal or interest. Due to construction delays, principal billings to JEA and PowerSouth (and the 20-year time periods of responsibility for principal payments) for certain series of Project J and Project P Bonds, and DOE advances, began prior to the COD for each unit. Following the twentieth anniversary of the COD of each of Vogtle Units 3&4, the output and services of Project J and Project P derived from such units shall be provided to 39 Participants, in accordance with take-or-pay Power Sales Contracts for Project J and Project P (the Project J and Project P Participants, respectively, and, together with the Project M Participants, are referred to herein as the Vogtle Units 3&4 Participants). At such time, the Project J and Project P Participants become responsible for payment of their respective shares of all of MEAG Power's costs relating to Project J and Project P, other than payments of certain amounts of principal that will begin earlier, as described above. The payment obligations of each of the Project J and Project P Participants are general obligations to which its full faith and credit are pledged. Each Project J Power Sales Contract and Project P Power Sales Contract, as amended and discussed in the "Vogtle Units 3&4 Project Entities" section of this Note, will continue in full force and effect for a term not to exceed 50 years from December 31, 2014.

On March 27, 2024, amendments to the Project J PPA were entered into by MEAG Power and JEA, and to the Project P PPA by MEAG Power and PowerSouth. The amendments allow for additional financing options for both construction completion financing, the funding of post-COD capital projects, and also simplification of the billing for such projects.

The additional financing options allow for the issuance of promissory notes related to revolving credit facilities, letter of credit facilities, commercial paper (CP) and other short-term notes. The amendments also allow for the grouping of post-COD capital projects into annual tranches, one for spent fuel storage facility items, and another for all other post-COD capital items. The groupings streamline the financing and billing of these costs by using an assumed useful life for all such items within an annual tranche. Debt service related to each annual tranche of the spent fuel storage facility will be billed over the remaining term of the Unit 3 and Unit 4 operating licenses. Other post-COD capital items will be amortized over 20 years, with JEA and PowerSouth responsible for the debt service associated with the initial 20 years of commercial operation of each of Vogtle Units 3&4 in accordance with the amended PPAs. The Project J and Project P Participants are responsible for any remaining debt service payments.

DOE Loan Guarantee Program

In order to obtain an assured source of financing at a locked-in spread over United States Treasury securities for its undivided ownership interest in Vogtle Units 3&4 and augment its financing alternatives, in 2015 MEAG Power obtained commitments for loans guaranteed by the U.S. Department of Energy (DOE) pursuant to a solicitation for nuclear projects employing new or significantly improved technology issued under Title XVII of the Energy Policy Act of 2005. The Federal Financing Bank (FFB) loans were made to three wholly-owned, special-purpose, limited-liability subsidiaries formed by MEAG Power, in the aggregate principal amount, including capitalized interest, of $1.8 billion (Original DOE Guaranteed Loans). In 2019, DOE increased the aggregate principal amount of guaranteed loan commitments to $2.2 billion (collectively with the Original DOE Guaranteed Loans, the DOE Guaranteed Loans). FFB has advanced to each Vogtle Units 3&4 Project Entity (as defined below) the full FFB commitment to each such entity. At both December 31, 2024 and 2023, the aggregate principal amount outstanding under the DOE Guaranteed Loans was $2.1 billion. The DOE Guaranteed Loans have a final maturity date of April 2, 2045.

Concurrently with the transfer of MEAG Power's undivided ownership in Vogtle Units 3&4 to the Vogtle Units 3&4 Project Entities (as discussed in the "Vogtle Units 3&4 Project Entities" section of this Note), each Vogtle Units 3&4 Project Entity entered into, among other agreements, a Loan Guarantee Agreement (Original LGA and, as later amended and restated, each an LGA) with DOE. Each Original LGA provides that the Original DOE Guaranteed Loan thereunder is secured by a first priority lien on various assets (the Collateral) including, among other things, the applicable Project Entity's rights or interests in: (i) Vogtle Units 3&4 (primarily the related real property and any nuclear fuel loaded in the reactor core) and (ii) the Project Entities' rights and obligations under the principal contracts relating to Vogtle Units 3&4.

In 2023, MEAG Power and the Project Entities (see the "Vogtle Units 3&4 Project Entities" section of this Note) amended documentation relating to the DOE Guaranteed Loans to facilitate the ability of the Project Entities to sell production tax credits (PTCs) arising from Vogtle Units 3&4, and the proceeds applied to offset current or future project costs otherwise required to be paid by the Participants, JEA or PowerSouth, as applicable. The DOE previously had a lien on the PTCs and therefore a new agreement was structured with the DOE to obtain a release of its lien rights in exchange for the proceeds derived from the sale of the PTCs benefiting the DOE, on a first priority basis (see "Production Tax Credits" section of this Note).

Each advance to a Project Entity under its DOE Guaranteed Loan (Advances) is evidenced by a promissory note issued to the FFB (FFB Promissory Note). Proceeds of Advances are used to reimburse each Project Entity (see the "Vogtle Units 3&4 Project Entities" section of this Note) for certain costs of construction relating to Vogtle Units 3&4 that were eligible for DOE-guaranteed loans. The Advances evidenced by each such FFB Promissory Note bear interest at the applicable U.S. Treasury rate plus a spread equal to 0.375%. Interest is payable quarterly and principal payments began in 2019.

Under each LGA, the applicable Project Entity is subject to customary borrower affirmative and negative covenants and events of default. In addition, each Project Entity is subject to project-related reporting requirements and other project-specific covenants and events of default.

In the event certain events of default occur under an LGA, subject to certain conditions, DOE is permitted to take possession of the Collateral, but the scheduled repayment of the Advances cannot be accelerated. Under certain circumstances, insurance proceeds and any proceeds from an event of taking must be applied to prepay outstanding Advances. Each Project Entity also may voluntarily prepay outstanding Advances. Under the FFB Promissory Notes, any prepayment (whether mandatory or optional) will be made with a make-whole premium or discount, as applicable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Recent Bond Financing

In January 2023, MEAG Power issued $452.1 million of its Vogtle Units 3&4 Bonds to finance construction costs of Vogtle Units 3&4. Additional information regarding this bond issuance, the financing of Vogtle Units 3&4 and the DOE Guaranteed Loans is included in the "Financing of Vogtle Units 3&4 Projects and Project Entities" section of Note 5, "Long- and Short-Term Debt, Credit Agreements and Interest Rate Swaps" (Note 5), and certain other sections of that Note.

Vogtle Units 3&4 Project Entities

In 2015, in order to permit each Vogtle Units 3&4 Project Entity to secure its Original DOE Guaranteed Loan by a first-priority perfected security interest in, among other things, such Project Entity's undivided ownership interest in Vogtle Units 3&4, MEAG Power divided its undivided ownership interest in Vogtle Units 3&4, as specified above in the "Vogtle Units 3&4 Projects" section of this Note, into three separate undivided interests by transferring such interests and nominally rated generating capacity to the following special-purpose, limited liability companies (LLCs), organized and existing under the laws of the State, of which MEAG Power is the sole member as follows:

- approximately 33.9% of its ownership interest, representing 169.5 MW attributable to Project M, to MEAG Power SPVM, LLC (the Project M Entity or SPVM);
- approximately 41.2% of its ownership interest, representing 206.0 MW attributable to Project J, to MEAG Power SPVJ, LLC (the Project J Entity or SPVJ); and
- approximately 24.9% of its ownership interest, representing 124.8 MW attributable to Project P, to MEAG Power SPVP, LLC (the Project P Entity or SPVP) and, together with the Project M Entity and the Project J Entity, referred to as the Vogtle Units 3&4 Project Entities or Project Entities.

In contemplation of the transfers described above, MEAG Power and each of the Project Entities entered into a Wholesale Power Sales Agreement, pursuant to which (a) MEAG Power is entitled to all of the capacity and output of such Project Entity's ownership interest in Vogtle Units 3&4 and (b) MEAG Power is obligated to pay such Project Entity all of its costs and expenses (including debt service on such Project Entity's DOE Guaranteed Loan, except for certain situations pertaining to Project J and Project P) in connection with the ownership and operation of such Project Entity's ownership interest in Vogtle Units 3&4. As a result, each of the Vogtle Units 3&4 Projects now includes all of MEAG Power's right, title and interest in and to the capacity and output of the related Project Entity's ownership interest in Vogtle Units 3&4, but does not include such ownership interest. Also, in contemplation of the transfers to the Project Entities, (a) MEAG Power and the Vogtle Units 3&4 Participants entered into amended and restated power sales contracts, (b) MEAG Power and JEA entered into an amended and restated PPA and (c) MEAG Power and PowerSouth entered into an amended and restated PPA, in each such case, effective as of the date of such transfer, in order to, among other things, (i) extend the term of each such contract and agreement, so that each such contract and agreement would remain in effect for not to exceed 50 years from December 31, 2014, (ii) reflect such transfers of MEAG Power's ownership interest in Vogtle Units 3&4 to the applicable Project Entity and (iii) provide that the payment obligations of the Vogtle Units 3&4 Participants, JEA and PowerSouth, respectively, shall include all costs and expenses of the applicable Project Entity (including scheduled debt service on such Project Entity's DOE Guaranteed Loan) resulting from the ownership, operation and maintenance of, and renewals and replacements to, the applicable Project Entity's ownership interest.

In contemplation of MEAG Power's transfer of its ownership interest in Vogtle Units 3&4 to the Project Entities, in 2014, the Original Vogtle Co-Owners amended certain previous agreements in order to, among other things, permit MEAG Power to assign to the Project Entities, and permit the Project Entities to assume, MEAG Power's rights and obligations thereunder with respect to Vogtle Units 3&4. As a result of such assignment and assumption, the term "Vogtle Co-Owners" includes GPC, OPC, Dalton and the Project Entities, but does not include MEAG Power.

Cost

MEAG Power estimates that the Vogtle Units 3&4 Project Entities' in-service cost will be, in the aggregate, approximately $7.5 billion, including remaining site demobilization, contractor obligations and contingency costs. Additional financing needs relating to reserve funds and other fund deposits required under MEAG Power's and the Vogtle Units 3&4 Project Entities' financing documents result in total capital costs of approximately $8.0 billion. These amounts are net of payments received from the guarantor of the contractor's performance and approximately $91 million under an agreement by GPC to reimburse MEAG Power based on the total cost of Vogtle Units 3&4.

Production Tax Credits

Under Section 45J(b)(5) of the United States Internal Revenue Code, each of the Project Entities made an application for an allocation of Unutilized National Megawatt Capacity Limitation (UNMCL) for PTCs, for their respective ownership interests in Unit 3 and Unit 4 in April 2023 and January 2024, respectively. The Project Entities were subsequently allocated their requested UNMCL by the Internal Revenue Service on November 21, 2023 and July 9, 2024, for Unit 3 and Unit 4, respectively.

The Project Entities sold PTCs earned during the period from July 31, 2023 through December 31, 2024, for both Unit 3 and Unit 4, to GPC for an aggregate of $71.4 million. The Project M Entity's PTC proceeds are applied to Project M Participants' billings. Fifty percent of the proceeds that are applicable to the Project J Entity and the Project P Entity are applied to JEA and PowerSouth billings, respectively. The remaining 50 percent will be applied to debt service during the period between 2036 and 2044, when each of the Project J Entity and the Project P Entity is responsible therefor, but for which it does not yet have entitlement to the power from Vogtle Units 3&4.

At the current time, the Project Entities intend to continue to sell their allocated PTCs for both Unit 3 and Unit 4 to GPC for the period during which they are generated. MEAG Power continues to evaluate ways to maximize the tax credits to which MEAG Power or the Vogtle Units 3&4 Project Entities are entitled under applicable law.

See Note 2, "Summary of Significant Accounting Policies and Practices" (Note 2), section (G), "Generation and Transmission Facilities" (Note 2 (G)), "— Nuclear Generating Facilities" for a discussion of other nuclear generating and NRC matters.

(E) MUNICIPAL COMPETITIVE TRUST

The Municipal Competitive Trust (Competitive Trust) was established in 1999 to accumulate and grow, through common investment, a substantial fund to be utilized by the Participants to mitigate the high fixed cost related to Plant Vogtle, Unit Nos. 1 and 2 (Vogtle Units 1&2) and the impacts that may result from the deregulation of the electric industry in Georgia. It was initially funded with certain rate stabilization and debt service reserve funds totaling approximately $441 million and was comprised of the Reserve Funded Debt, Credit Support Operating (no longer being used) and Flexible Operating accounts. The Reserve Funded Debt account is held for the benefit of Project One and the General Resolution Projects.

Participants currently contribute funds into the Flexible Operating, as well as the New Generation and Capacity Funding (see below), accounts on an elective basis. As of December 31, 2024, with nearly all of the Participants participating, the net value of the investments in the Competitive Trust was $594.4 million. Changes impacting the balance in the Competitive Trust result from investment earnings and additional Participants' contributions, which are offset by scheduled distributions to the Participants.

During 2008 and 2009, several amendments to the terms of the Competitive Trust authorized MEAG Power, on behalf of the Participants executing such amendments, to, among other things, establish the New Generation and Capacity Funding account to permit the Participants to fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by such Participants (including the Vogtle Units 3&4 Projects and Project Entities), as well as funding of capacity purchases proposed by MEAG Power, purchase of additional entitlement shares or obligation shares of existing MEAG Power projects, and for mitigation of certain bulk power supply cost increases.

If not otherwise expended, monies in the Reserve Funded Debt account may be withdrawn on or after December 31, 2025, and monies in the New Generation and Capacity Funding account may be withdrawn after January 1, 2037. An external trustee holds the funds in the Competitive Trust and maintains balances on an individual Participant basis. All Participants have the ability to participate in the Competitive Trust.

The Competitive Trust is not fiduciary in nature and is not considered a fiduciary activity in the context of Governmental Accounting Standards Board (GASB) Statement No. 84, "Fiduciary Activities."

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(A) BASIS OF ACCOUNTING

The electric utility accounts of MEAG Power are maintained substantially in accordance with the Uniform System of Accounts of the Federal Energy Regulatory Commission (FERC), as provided by the Power Sales Contracts with the Participants. All such accounts are in conformity with accounting principles generally accepted in the United States (GAAP). MEAG Power's financial statements are maintained on an accrual basis in accordance with GAAP issued by GASB applicable to governmental entities that use proprietary fund accounting.

MEAG Power's Board (the Board) has authority for establishing rates billed to the Participants each year as part of the Annual System Budget approval process. Accounting guidance under GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" (Statement 62), permits an entity with cost-based rates to defer certain costs or income that would otherwise be recognized when incurred to the extent that the rate-regulated entity is recovering or expects to recover such amounts in its billings. As discussed in "Net Costs to Be Recovered and Deferred Inflows of Resources," section (D) of this Note (Note 2 (D)), differences between amounts billed and expenses determined in accordance with GAAP (Timing Differences) are charged or credited to net costs to be recovered from Participants or deferred inflows of resources.

Interproject receivables and payables have been eliminated from MEAG Power's consolidated financial statements. Certain transfers related to the Project Entities and DOE Guaranteed Loans, as discussed in Note 1 (D) have been eliminated from the balances of the Vogtle Units 3&4 Projects and Project Entities.

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the consolidated financial statements and the related disclosures in these Notes. Actual results could differ from those estimates.

(B) STATEMENT OF CASH FLOWS

In accordance with GASB Statement No. 34, "Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments" (Statement 34), the Consolidated Statement of Cash Flows (Statement of Cash Flows) is presented using the direct method. For reporting cash flows, highly liquid investments purchased with a maturity of three months or less are considered to be cash equivalents. For the years ended December 31, 2024 and 2023, cash and cash equivalents totaled $1.2 billion and $952.2 million, respectively. Amounts presented in the Statement of Cash Flows for property additions are net of changes in the related liability accounts payable. For the years ended December 31, 2024 and 2023, such changes were $16.0 million and $0.8 million, respectively.

(C) REVENUES

Participant

Wholesale electric sales to the Participants are recorded as Participant revenues on an accrual basis. Billings to the Participants for delivered energy are designed to recover certain costs, as defined by the bond resolutions and Power Sales Contracts, and principally include current operating costs, scheduled debt principal and interest payments, and deposits in certain funds. Billings to Participants of Project One, the General Resolution Projects, the CC Project, as well as Project M and the Project M Entity, accounted for 62.7% and 78.9% of total revenues for the years ended December 31, 2024 and 2023, respectively. Three Participants collectively accounted for approximately 21% of Participant revenues in both 2024 and 2023, with one Participant accounting for 7.6% of these revenues in 2024 and 8.6% in 2023.

Year-End Settlement

In accordance with the Power Sales Contracts, MEAG Power performs a year-end settlement process to determine if the aggregate amount of revenues received from the Participants to provide recovery of costs incurred were in the proper amount. Any excess or deficit amounts resulting in adjustment of billings are refunded to or collected from the Participants in the following year. For the years ended December 31, 2024 and 2023, the excess revenues received and included in accounts payable on MEAG Power's Balance Sheet were as follows (in thousands):

Year-end Settlement	**2024**	2023
Project One	**$23,077**	$21,063
General Resolution Projects	**4,020**	(3,481)
CC Project	**2,371**	3,881
Vogtle Unit 3&4 Projects and Project Entities	**68,035**	12,886
Total	**$97,503**	$34,349

Year-end settlement amounts include excess revenues for Project J and Project P, which have been refunded to JEA and PowerSouth, respectively. Refunds for 2024 excess revenues will be processed beginning in the First Quarter of 2025.

Other Revenues

Other revenues consist primarily of billings to JEA and PowerSouth for Project J and Project P's debt service collections, and Unit 3 and Unit 4's operating expenses for Project J, Project P, the Project J Entity and the Project P Entity. Also included in other revenues are:

- sales to GPC, as discussed in section (G) of this Note, "Generation and Transmission Facilities — Jointly Owned Generation Facilities," as well as "— Pseudo Scheduling and Services Agreement,"
- sales to other utilities and power marketers, and
- for 2024,damage awards pertaining to spent nuclear fuel storage, as discussed in Note 2 (G), "— Nuclear Generating Facilities."

(D) NET COSTS TO BE RECOVERED AND DEFERRED INFLOWS OF RESOURCES

Timing Differences are charged or credited to net costs to be recovered from Participants in other non-current assets or deferred inflows of resources on the Balance Sheet. Depreciation and certain debt service billings are examples of such Timing Differences. Capitalized interest, as discussed in section (E) of this Note, "Property, Plant and Equipment" is also included in net costs to be recovered from Participants. All costs are billed to the Participants over the period of the applicable contracts. Certain investment income represents earnings on funds not subject to year-end adjustment of billings.

Retirement and decertification of Plant Wansley, as discussed in Note 2 (G) "—Coal Generating Facilities," occurred on August 31, 2022. MEAG Power recorded a regulatory asset for these assets and will amortize the remaining net book values of the units and any remaining unusable materials, supplies and inventories upon retirement over the remaining period of the principal of the debt outstanding associated with such facilities through 2043. As of December 31, 2024 and 2023, the remaining net book value of this regulatory asset, included in "Regulatory Assets/Other" in the table below, was $149.0 million and $148.4 million, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

At December 31, 2024 and 2023, net costs to be recovered from Participants and deferred inflows of resources consisted of the following (in thousands):

NET COSTS TO BE RECOVERED FROM PARTICIPANTS

December 31, 2024	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Timing Differences	$ —	$ —	$ —	$(407,619)	$—	$(407,619)
Regulatory Assets:						
Capitalized interest	12,883	2,828	—	779,466	—	795,177
Other	107,645	49,731	—	—	—	157,376
Asset Retirement Obligation	—	—	—	308	—	308
Vogtle Units 3&4 Projects' and Project Entities' net non-operating expense	—	—	—	287,079	—	287,079
Other, net	—	—	—	(7,137)	—	(7,137)
Total net costs to be recovered from Participants	$120,528	$ 52,559	$ —	$ 652,097	$—	$825,184

December 31, 2023	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Timing Differences	$ —	$ —	$ —	$ (379,476)	$—	$(379,476)
Regulatory assets:						
Capitalized interest	12,020	2,093	—	662,344	—	676,457
Other	103,600	49,495	—	—	—	153,095
Asset retirement obligation	—	—	—	438	—	438
Vogtle Units 3&4 Projects' and Project Entities' net non-operating expense	—	—	—	392,733	—	392,733
Other, net	—	—	—	820	—	820
Total net costs to be recovered from Participants	$115,620	$ 51,588	$ —	$ 676,859	$—	$ 844,067

DEFERRED INFLOWS OF RESOURCES

December 31, 2024	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Timing Differences	$518,490	$332,592	$150,812	$ —	$ —	$1,001,894
Certain investment income	369,075	66,038	18,404	—	—	453,517
Asset retirement obligations	23,729	(25,638)	—	—	—	(1,909)
Other, net	(7,184)	4,638	15,863	1,813	—	15,130
Total deferred inflows of resources	$904,110	$377,630	$185,079	$ 1,813	$ —	$1,468,632

December 31, 2023	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Timing Differences	$450,780	$376,434	$148,677	$ —	$ —	$ 975,891
Certain investment income	361,157	65,259	17,086	—	—	443,502
Asset retirement obligations	(1,106)	(26,517)	—	—	—	(27,623)
Other, net	(7,793)	4,656	9,783	6,705	—	13,351
Total deferred inflows of resources	$803,038	$419,832	$175,546	$ 6,705	$ —	$1,405,121

(E) PROPERTY, PLANT AND EQUIPMENT

The cost of Property, Plant and Equipment (PP&E) includes both direct and overhead costs, capitalized interest and the cost of major property replacements. Costs are recorded in construction work in progress (CWIP) and capitalized as a generating unit or other PP&E asset is placed in service; hence, most of the PP&E additions are transfers from CWIP. Repairs and replacement of minor items of property are charged to maintenance expense. When PP&E subject to depreciation is retired or otherwise disposed of in the normal course of business, its cost, together with the cost of removal less salvage, is charged to accumulated depreciation. Note 3, "Property, Plant and Equipment" (Note 3) includes additional PP&E information.

Interest on amounts borrowed to finance construction of MEAG Power's projects is capitalized and included in net costs to be recovered from Participants as a regulatory asset. Such amounts partially offset interest expense as a reduction to net non-operating expense. Included in MEAG Power's Consolidated Statement of Net Revenues (Statement of Net Revenues) for the years ended December 31, 2024 and 2023, respectively, was total interest expense of $471.2 million and $467.7 million, of which $122.9 million and $214.2 million was capitalized.

(F) DEPRECIATION

Depreciation of generating units or other PP&E, as applicable, is computed using the straight-line composite method over their expected life. Annual depreciation provisions, expressed as a percentage of average depreciable property, are shown below as of December 31, 2024 and 2023 as applicable for Project One, the General Resolution Projects, the CC Project and Vogtle Units 3&4. The composite electric utility depreciation rates for jointly owned generating units, transmission and distribution facilities are based on engineering studies updated periodically, the most recent study being available for use by MEAG Power beginning in 2024. The increase in the rate for Plant Scherer is primarily due to an accelerated retirement date projection.

Depreciation expense for the PP&E components shown below, totaled $264.4 million and $129.9 million for the years ended December 31, 2024 and 2023, respectively, and is included in depreciation and amortization in the Statement of Net Revenues. Accumulated depreciation information is included in Note 3.

Plant	Fuel	2024 Rate	2023 Rate	Other Property, Plant and Equipment	2024 Rate	2023 Rate
Hatch Units 1&2	Nuclear	2.03%	3.05%	Transmission Facilities	2.44%	2.20%
Scherer Units 1&2	Coal	12.20%	2.48%	Distribution Facilities	2.90%	2.70%
Vogtle Units 1&2	Nuclear	1.72%	1.65%	General/Other Plant	2.5%-33.0%	2.5%-33.0%
Vogtle Units 3&4 *	Nuclear	1.67%	1.67%			
CC Facility	Natural Gas	2.86%	2.92%			

* Vogtle Units 3&4 entered commercial operation on July 31, 2023 and April 29, 2024, respectively.

(G) GENERATION AND TRANSMISSION FACILITIES

Jointly Owned Generation Facilities

At December 31, 2024, MEAG Power's ownership percentages, or the Project Entities' aggregate ownership percentage pertaining to Vogtle Units 3&4, in jointly owned generation facilities in service were as follows:

	Ownership Percent			
Facility	Project One	General Resolution Projects	Vogtle Units 3&4 Projects and Project Entities	Total Ownership
Hatch Units 1&2	17.7%	—	—	17.7%
Scherer Units 1&2	10.0%	20.2%	—	30.2%
Vogtle Units 1&2	17.7%	5.0%	—	22.7%
Vogtle Units 3&4	—	—	22.7%	22.7%

MEAG Power has a long-term agreement in effect whereby MEAG Power sells to GPC a portion of the output of Vogtle Units 1&2. Sales to GPC pursuant to this agreement, included in other revenues, were $6.7 million in 2024, and $5.9 million in 2023 for Project One, and $1.9 million in 2024, and $1.7 million in 2023 for the General Resolution Projects. MEAG Power (or the Project Entities, in the case of Unit 3 and Unit 4), GPC, OPC and Dalton (collectively, the Joint-Owners) jointly own the above facilities. GPC has contracted to operate and maintain the jointly owned facilities as agent for the respective Joint-Owners. MEAG Power's proportionate share of applicable operating expenses for these facilities is included in the corresponding operating expense items in the accompanying Statement of Net Revenues.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Nuclear Generating Facilities

MEAG Power's nuclear generating facilities consist of its 17.7% ownership in Plant Hatch, Unit Nos. 1 and 2 (Hatch Units 1&2), its 22.7% ownership in Vogtle Units 1&2 and through the Project Entities, its 22.7% ownership in Unit 3 and Unit 4. Southern Nuclear Operating Company, Inc. (Southern Nuclear), as agent for GPC, is the operator of the nuclear units.

Under contracts GPC has with the DOE for Hatch Units 1&2 and Vogtle Units 1&2, permanent disposal of spent nuclear fuel was to begin in 1998. This did not occur, and GPC pursued legal remedies against the U.S. Government for its partial breach of contract.

In prior years, GPC filed lawsuits against the U.S. Government in the U.S. Court of Federal Claims (the Court of Federal Claims) for the costs of continuing to store spent nuclear fuel at Hatch Units 1&2 and Vogtle Units 1&2 for the period January 1, 2011 through December 31, 2019.

On June 7, 2024 and August 15, 2024, the Court of Federal Claims entered final judgments on damages in the third and fourth round of lawsuits, respectively, against the U.S. Government. MEAG Power's share of the awards was $54.4 million of which $37.2 million was refunded to the Participants and $17.2 million was deposited into construction bank accounts held by the applicable bond resolution trustee.

MEAG Power previously received its share of awards by the Court of Federal Claims for spent nuclear fuel damages for the years 1998 through 2010. MEAG Power anticipates that GPC will pursue legal remedies against the U.S. Government for its partial breach of contract for years 2020 and thereafter with respect to the permanent disposal of spent nuclear fuel from Hatch Units 1&2 and Vogtle Units 1&2.

With completion of the Independent Spent Fuel Storage Installation at Vogtle Units 1&2 in 2019, on-site dry spent fuel storage facilities are now operational at Vogtle Units 1&2 and at Hatch Units 1&2. Construction is expected to begin in December 2025 on a Dry Cask Storage Support Building and Independent Spent Fuel Storage Installation, including pad and haul path for Unit 3 and Unit 4 with completion scheduled in the third quarter of 2027. Plant modifications for handling spent fuel loading equipment are scheduled to be completed in January 2028 for Unit 3 and September 2028 for Unit 4. These facilities can be expanded to accommodate spent fuel throughout the life of each plant.

The NRC has broad authority under federal law to impose licensing and safety-related requirements for the operation of nuclear generation facilities. In the event of non-compliance with NRC licensing and safety-related requirements, the NRC has the authority to impose fines and/or shut down any unit, depending upon its assessment of the severity of the situation, until compliance is achieved. NRC orders or regulations related to increased security measures and any future safety requirements promulgated by the NRC could require MEAG Power to make substantial operating and capital expenditures at the nuclear units. In addition, while GPC and MEAG Power have no reason to anticipate a serious nuclear incident at the nuclear units, if an incident were to occur, it could result in substantial costs to MEAG Power. A major incident at a nuclear facility anywhere in the world could cause the NRC to limit or prohibit the operation or licensing of any domestic nuclear unit that could result in substantial costs. Moreover, a major incident at any nuclear facility in the United States could require MEAG Power to make material contributory payments.

In addition, potential terrorist threats and increased public scrutiny of utilities could result in increased nuclear licensing or compliance costs that are difficult to predict.

For information regarding nuclear insurance and the long-term nuclear fuel commitments of MEAG Power and the Project Entities, see the "Nuclear Insurance" and "Fuel" sections of Note 7, "Commitments and Contingencies" (Note 7).

Coal Generating Facilities

MEAG Power's coal generating facilities consist of its 30.2% ownership in Plant Scherer Units 1&2 (Scherer Units 1&2) and 15.1% of related common facilities. For information regarding MEAG Power's long-term coal commitments, see the "Fuel" section of Note 7.

Decertification and retirement of the coal-fired units of Wansley Units 1&2 and the Wansley Combustion Turbine Unit 5A (collectively, Plant Wansley) occurred on August 31, 2022 (Unit No. 5A was oil-fired). The operation of the CC Facility located at Plant Wansley was unaffected by the retirement of these units. As discussed in "Net Costs to be Recovered and Deferred Inflows of Resources," section (D) of this Note, MEAG Power recorded a regulatory asset for these retired assets and will amortize the remaining net book values of the units and any remaining unusable materials, supplies and inventories upon retirement over the remaining period of the principal of the debt outstanding associated with such facilities through 2043. As of December 31, 2024 and 2023, the debt outstanding with respect to MEAG Power's interest in the units was $67.1 million and $76.2 million, and the net book value of the regulatory asset was $149.0 million and $148.4 million, respectively.

Natural Gas Generating Facilities

As discussed in Note 1, "The Organization" (Note 1), section (C), "Combined Cycle Project," MEAG Power wholly owns the CC Facility within the CC Project. MEAG Power has contracted with North American Energy Services Corporation (NAES) to perform the operation and maintenance of the CC Facility. The agreement provides for a three-year automatic renewal, unless a 90-day notice is provided by either party, with the next scheduled renewal being October 2027. MEAG Power has contracted with Mechanical Dynamics & Analysis, formerly PW Power Systems, for long-term parts and outage services for the CC Facility. The term of the contract is based on the operations of the unit and estimated to be in place through 2030.

Transmission Facilities

MEAG Power; GPC; Georgia Transmission Corporation, a not-for-profit cooperative transmission provider to 38 electric distribution cooperatives in Georgia; and Dalton (ITS Owners) each own transmission system facilities, which together comprise a statewide ITS. MEAG Power and the other ITS Owners of those facilities may make use of the majority of such facilities included in the ITS, regardless of ownership, in serving its customers. Bulk power supply is furnished by MEAG Power to the Participants through the ITS. MEAG Power's ITS facilities are included in Project One.

MEAG Power and GPC entered into a Second Revised and Restated Integrated Transmission System Operation Agreement (the ITS Operation Agreement), effective March 23, 2017, which appointed GPC as agent for the management and operation of MEAG Power's transmission system facilities. The revisions to the ITS Operation Agreement specified: (a) an initial term through December 31, 2017, with automatic two-year renewals thereafter, with the current renewal term extending through December 31, 2025; (b) GPC's supporting compliance role for MEAG Power regarding (i) certain mandatory federal reliability standards and (ii) filing requirements of SERC Reliability Corporation (SERC) and the North American Electric Reliability Corporation (NERC) regarding Coordinated Functional Registration (CFR) agreements; (c) provisions to update certain sections of the Operation Agreement (and associated CFR agreements, as applicable) as NERC standards change; and (d) certain other legal provisions. With these revisions, GPC, as agent for MEAG Power, is responsible for compliance with certain mandatory federal reliability standards under FERC Order No. 693 "Mandatory Reliability Standards for the Bulk-Power System" (NERC Operations and Planning Standards or NERC O&P) and FERC Order No. 706, "Mandatory Reliability Standards for Critical Infrastructure Protection" (NERC Critical Infrastructure Protection (CIP) Standards or NERC CIP). Under these revisions, GPC also assumes the majority of MEAG Power's associated monetary penalty risk associated with non-compliance for these mandatory federal reliability standards that control how the transmission systems are operated and maintained, with reliability being the primary focus. Neither MEAG Power nor GPC has given the required 24 months' prior notice of cancellation for the ITS Operation Agreement.

On January 16, 2025, the Board approved Amendment No. 1 to the ITS Operation Agreement, which provides that each ITS Owner pay their proportional share of costs for a recently constructed Georgia Transmission Control Center to conform with new regulatory standards.

The mandatory federal reliability standards are determined by FERC and generally enforced by NERC. There are regional compliance organizations such as SERC that help facilitate compliance with these standards, or some related standards, that reflect the regional differences that are common practice in maintaining reliability among the companies in the geographic footprint of the regional compliance organization. MEAG Power's compliance with NERC O&P and NERC CIP is discussed in the "Legislative and Regulatory Issues" section of Note 7.

The Integrated Transmission System Maintenance Agreement, pursuant to which GPC maintains MEAG Power's transmission system facilities, has been effective since January 1, 2000 and has renewed annually since 2002, with the current renewal term extending through December 31, 2025. Neither party has given the required 12 months' prior notice of cancellation.

In January 2025, the ITS Owners exchanged written commitments whereby each owner agreed to waive and not to exercise its right under its respective ITS Agreement (Agreement) to terminate the Agreement on any date prior to December 31, 2037. In accordance with the five-year notice requirement in the Agreement, an owner may provide written notice terminating its respective Agreement no earlier than five years from such notice date. These written commitments do not have the effect of modifying, superseding or terminating any Agreement.

Southeastern Power Administration

Forty-three of the Participants have contracts with the Southeastern Power Administration (SEPA) under which they are entitled to receive capacity and energy allocations of hydro-electric generation. Each contract remains in effect until a termination notice is given by either the Participant (with 25 months' notice) or SEPA (with 24 months' notice). The aggregate amount of capacity and associated energy received by the Participants under the SEPA contracts as of December 31, 2024 was 398 MWs.

Pseudo Scheduling and Services Agreement

MEAG Power and GPC are parties to a Pseudo Scheduling and Services Agreement (PSSA) that addresses unit scheduling and dispatch and system services required for MEAG Power to manage its resources and effectuate off-system sales and purchases within the system of The Southern Company (Southern Company), the parent company of GPC. Under this agreement, MEAG Power's schedule for the output from Scherer Units 1&2 may differ from the actual output of its ownership share and will result in sales to or purchases from GPC to reconcile the difference. During the years ended December 31, 2024 and 2023, sales and purchases with GPC under this agreement were (in thousands):

PSSA	**2024**	2023
Sales	**$34,905**	$2,838
Purchases	**$12,817**	$8,635

(H) ASSET RETIREMENT OBLIGATIONS AND DECOMMISSIONING

Asset retirement obligations (ARO) are calculated at the present value of a long-lived asset's applicable disposal costs and are recorded in the period in which the liability is incurred. This liability is accreted during the remaining life of the associated assets and adjusted periodically based upon updated estimates to reflect current assumptions regarding the retirement of the applicable PP&E.

The recognition of ARO is driven primarily by decommissioning costs associated with the nuclear units, as well as costs associated with plans to close ash ponds related to Scherer Units 1&2 in response to the final regulations regarding coal combustion residuals and effluent limitations guidelines (see the "Environmental Regulations" section of Note 7). The most recent estimates pertaining to decommissioning costs were completed in 2021 for all six nuclear units. Additional updates pertaining to coal ash ponds were received in 2024.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In accordance with GASB Statement No. 83, "Certain Asset Retirement Obligations," as a minority owner (less than 50%) of applicable jointly owned generation facilities (see footnote (1) below), MEAG Power uses the measurement produced by the nongovernmental minority owner that has operational responsibility for the generating units (ARO Measurement), to account for its ARO, which is included in non-current liabilities on the Balance Sheet.

MEAG Power's share of the ARO Measurement as of December 31, 2024 and 2023 was as follows (dollars in thousands):

December 31, 2024	Total ARO	ARO at MEAG Power's Ownership Percentage[(1)]
Nuclear	**$ 2,523,241**	**$542,235**
Coal ash	**1,198,979**	**181,046**
Other	**145,212**	**24,452**
Total	**$ 3,867,432**	**$747,733**

December 31, 2023	Total ARO	ARO at MEAG Power's Ownership Percentage[(1)]
Nuclear	$ 3,066,093	$608,319
Coal ash	1,339,333	202,239
Other	143,404	24,446
Total	$ 4,548,830	$835,004

(1) MEAG Power's percentage of ARO approximates its ownership percentage of jointly owned common generation facilities, which ranged from 17.7% to 30.2% as of December 31, 2024 and 2023, as shown in Note 2 (G).

Future costs of decommissioning are recognized through the accretion of ARO as part of depreciation expense. Pursuant to NRC guidelines, funds are maintained to hold assets that will be used to pay the future costs to decommission the nuclear units. The funds of a Decommissioning Trust (Decommissioning Trust), which are held by a trustee, were established to comply with NRC regulations, which require licensees of nuclear power generating units to provide certain financial assurances that funds will be available when needed for required decommissioning activities.

Under current plans, the nuclear units will be decommissioned over extended periods at estimated costs (Project One, General Resolution Projects' and the Project Entities' portion) as of the year of site-specific studies as follows (dollars in thousands):

	Hatch Units 1&2	Vogtle Units 1&2	Vogtle Units 3&4
Decommissioning period	2034-2075	2047-2079	2063-2086
Estimated future costs[(1)]	$359,725	$438,542	$357,285
Amount expensed in 2024	$ 15,307	$ 14,144	$ 4,505
Accumulated provision in external funds	$348,485	$339,091	$ 7,451

(1) Based on the year of the most recent cost study, which is 2021 for all six nuclear units. Estimated future costs are in 2021 dollars for Hatch 1&2 and Vogtle 1&2, and 2020 dollars for Vogtle Units 3&4.

The NRC extended the operating licenses for Vogtle Units 1&2 for an additional 20 years until 2047 and 2049, respectively. The NRC also extended the operating licenses for Hatch Units 1&2 until 2034 and 2038, respectively. These extensions are factored into the above estimates.

Actual decommissioning costs may vary due to changes in the assumed dates of decommissioning, NRC funding requirements, regulatory requirements, costs of labor and equipment, or other assumptions used in determining the estimates. An estimated Decommissioning Trust earnings rate of 4.5% was used, and an inflation assumption of 2.5% was used for all six nuclear units to determine decommissioning-related billings to the Participants for 2025 budget purposes, based on the most recent estimates pertaining to decommissioning costs.

(I) FUEL COSTS

Fuel stocks, which are stated at average cost, are recorded as inventory when purchased and expensed as burned. Amortization of nuclear fuel is calculated on a units-of-production basis.

Natural gas expense for the CC Project totaled $71.1 million and $72.5 million for years ended December 31, 2024 and 2023, respectively. MEAG Power uses fuel-related derivative financial instruments/natural gas hedges to manage specific risks associated with procurement of natural gas for the CC Project. Such strategies are governed by MEAG Power's Fuel Risk Management Policy (the Fuel Risk Management Policy) and primarily include hedging transactions used to manage MEAG Power's natural gas cost.

MEAG Power follows GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (Statement 53), which requires changes in the fair value of effective hedging derivative instruments to be recorded as a deferred inflow or outflow. All of MEAG Power's natural gas hedges are considered effective and, as such, the fair value of $1.7 million and $(2.7) million as of December 31, 2024 and 2023, respectively, is recorded on the Balance Sheet in materials, supplies and other assets. The increase (decrease) in fair value of $4.4 million and ($15.5) million for 2024 and 2023, respectively, is recorded in deferred outflows of resources on the Balance Sheet.

Summary information pertaining to natural gas hedges as of December 31, 2024 and 2023 is as follows (dollars in thousands):

Contract Year	**Notional Amount* December 31, 2024**	**Fair Value December 31, 2024**	Latest Maturity Date
2025	**6,390,000**	**$1,765**	Dec 2025
2026	**4,880,000**	**99**	Dec 2026
2027	**1,950,000**	**(96)**	Dec 2027
2028	**260,000**	**(35)**	Jul 2028
Total	**13,480,000**	**$1,733**	

Contract Year	Notional Amount* December 31, 2023	Fair Value December 31, 2023	Latest Maturity Date
2024	7,290,000	$ (2,763)	Dec 2024
2025	4,210,000	751	Dec 2025
2026	2,060,000	(471)	Dec 2026
2027	620,000	(187)	Oct 2027
2028	260,000	(23)	July 2028
Total	14,440,000	$ (2,693)	

* In MMBtus (1 million British Thermal Units).

The above natural gas hedges were entered into between September 2020 and December 2024 with immaterial total cash paid at inception for natural gas hedges outstanding at both December 31, 2024 and 2023. The price index for all of MEAG Power's natural gas hedges is the New York Mercantile Exchange Natural Gas Futures Contract at Henry Hub (Henry Hub Contract).

MEAG Power's natural gas hedges are with two counterparties that had credit ratings with Fitch Ratings (Fitch), Moody's Investors Service (Moody's) and Standard & Poor's (S&P) at December 31, 2024 and 2023 as follows:

	Counterparty Credit Rating		
	Fitch	Moody's	S&P
December 31, 2024	**AA/A**	**Aa1/A2**	**AA-/BBB+**
December 31, 2023	AA/A	Aa1/A2	A+/BBB+

For a discussion of risks pertaining to derivative financial instruments, see "Derivative Financial Instruments," section (K) of this Note.

(J) MATERIALS, SUPPLIES AND OTHER ASSETS

Materials and supplies include the cost of transmission materials and the average cost of generating unit materials, which are charged to inventory when purchased and then expensed or capitalized to plant, as appropriate. Other assets consist primarily of prepaid assets and the fair value of effective natural gas hedging instruments.

(K) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments used in the management of interest rate exposure through swap transactions are governed by MEAG Power's Asset/Liability Management Policy (ALCO Policy), as authorized by the Asset/Liability Committee of the Board. As discussed in the "Fuel Costs" section (I) of this Note, MEAG Power also uses natural gas hedges to manage specific risks associated with procurement of natural gas for the CC Project, in accordance with the Fuel Risk Management Policy. Such swap transactions and natural gas hedges are accounted for, as applicable, in accordance with Statement 53 or GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" (Statement 31). These derivative instruments are not held or issued for trading purposes, and MEAG Power management has designated the swaps and hedges as hedge instruments. Under Statement 53, the swap agreements and natural gas hedges are marked-to-market monthly with the offset included in deferred outflows of resources. If the instrument is terminated before the end of the agreement's term, any gain or loss is amortized over a period consistent with the underlying liability.

Information about natural gas hedges and interest rate swap agreements outstanding as of December 31, 2024 and 2023 is included in the "Fuel Costs" section (I) of this Note and the "Other Financing Transactions" section of Note 5, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

As a result of using derivative financial instruments, MEAG Power is subject to the following risks:

Credit Risk

MEAG Power is exposed to credit risk on all interest rate swaps and all natural gas hedges, with the largest potential for risk on swaps and hedges that are in a significant asset position and to a lesser extent through the possibility of non-performance under the swap by the counterparty. In order to minimize this risk, the ALCO Policy, which governs interest rate swaps, and the Fuel Risk Management Policy, which governs natural gas hedges, restrict potential counterparties to major financial institutions with either high investment-grade credit ratings or agreements to collateralize their net positions. In addition, the ALCO Policy and the individual agreements with the natural gas hedging counterparties limit the amount of exposure to the counterparty to certain amounts that decrease as the counterparty's credit rating decreases.

Finally, MEAG Power requires each counterparty to post collateral based on the exposure of the swap or hedge. The three outstanding interest rate swaps were in the counterparty's favor in a liability position as of December 31, 2024, thereby minimizing the credit risk to MEAG Power. The value of natural gas hedges in MEAG Power's favor totaled $3.3 million. MEAG Power did not require collateral as of December 31, 2024 against the value of the natural gas hedges.

Interest Rate Risk

MEAG Power is exposed to various interest rate risks on the variable-rate portion of its debt portfolio and utilizes interest rate swaps to help mitigate them. In accordance with the ALCO Policy, MEAG Power may either hedge specific bonds by synthetically converting them to a fixed rate of interest or hedge a portion of the overall debt portfolio for a specific period of time. Under the terms of each interest rate swap, MEAG Power pays a fixed rate of interest and receives a floating-rate payment that is based on an index. If interest rates rise, the amount of interest MEAG Power would pay on its variable-rate debt would rise. However, the higher payments made on its variable-rate debt should be offset by higher payments received on its interest rate swaps, thereby reducing MEAG Power's interest rate risk.

Basis Risk

Basis risk occurs when the floating rates on the interest rate swaps and the variable-rate bonds do not match exactly. When investors demand an interest rate on MEAG Power's variable-rate debt that is higher or lower than the variable-rate index used to calculate the payments on the swap, the payments may not offset completely. This mismatch in payments may be a benefit or detriment to MEAG Power.

MEAG Power is also exposed to basis risk between the natural gas hedges, which settle against the Henry Hub Contract, and the hedged gas deliveries, which are typically daily spot purchases in Transcontinental Gas Pipeline Company, LLC's zone 3 or zone 4. However, the prices at each of these pricing points are highly correlated and generally very close; therefore, MEAG Power's basis risk for its natural gas hedges is not substantial.

Termination Risk

Either party to an interest rate swap or a natural gas hedge may terminate the transaction for a variety of reasons, based upon the terms of the contract. MEAG Power would be exposed to additional interest rate risk or natural gas price volatility if the counterparty to a swap or hedge transaction defaults or if the swap or hedge is terminated. If the swap or natural gas hedge is a liability to MEAG Power at the time of termination, the counterparty would be due a payment from MEAG Power equal to the liability as specified in the International Swaps and Derivatives Association Agreement. An asset position in the swap or hedge at the time of termination would generate a payment to MEAG Power from the counterparty.

Rollover Risk

The interest rate swaps that are used to hedge a portion of the overall variable-rate debt portfolio may terminate prior to the maturity of the bonds they hedge. Therefore, MEAG Power may be exposed to rollover risk as these swaps terminate.

Market-Access Risk

MEAG Power is exposed to market-access risk on future bond or swap transactions and natural gas hedges if market conditions deteriorate in the future.

(L) FAIR VALUE MEASUREMENTS

Fair value is defined in GASB Statement No. 72, "Fair Value Measurement and Application" (Statement 72) as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement for a particular asset or liability based on assumptions that market participants would use in pricing the asset or liability.

Such assumptions maximize the use of relevant observable inputs and minimize the use of unobservable inputs. MEAG Power holds investments and derivative financial instruments that are measured at fair value on a recurring basis. Because investing is not a core part of MEAG Power's mission, MEAG Power determines that the disclosures related to these investments only need to be disaggregated by major type. MEAG Power chooses a tabular format for the fair value disclosures. MEAG Power categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset or liability, as follows:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that MEAG Power can access at the measurement date.
- Level 2 inputs are inputs — other than quoted prices included within Level 1 — that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

Investments

Level 1 investments are valued using prices quoted in active markets for identical assets. Investments classified in Level 2 of the fair value hierarchy are valued using comparative observable input market data, including, but not limited to: benchmark yields or yield curves; historic sector, security or issuer relative pricing; observed or reported trades of like assets; broker dealer quotes; or quantitative pricing models using any or all of these market data. Money market mutual funds are recorded at amortized cost in accordance with Statement 31. For additional information pertaining to MEAG Power's investments, see Note 4, "Special Funds and Supplemental Power Account."

Interest Rate Swaps

MEAG Power's interest rate swap agreements are valued using observable market interest rates, implied volatilities and credit spreads, which places them at Level 2 in the fair value hierarchy. For additional information pertaining to MEAG Power's interest rate swap agreements, see the "Other Financing Transactions" section of Note 5.

Natural Gas Hedges

MEAG Power's natural gas hedges consist of over-the-counter swaps, call options and put options. These hedges are valued using price quotes for identical assets or liabilities in active markets, which places them at Level 1 in the fair value hierarchy. For additional information pertaining to MEAG Power's natural gas hedges, see the "Fuel Costs" section (I) of this Note.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

December 31, 2024	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Treasury securities	**$ 588,475**	**$588,475**	**$ —**	**$ —**
U.S. Government agency and agency-backed securities	**925,678**	**—**	**925,678**	**—**
Asset-backed securities	**17,037**	**—**	**17,037**	**—**
Corporate notes	**154,903**	**—**	**154,903**	**—**
Commercial mortgage-backed securities	**3,520**	**—**	**3,520**	**—**
Municipal bonds	**16,584**	**—**	**16,584**	**—**
Total investments by fair value level	**1,706,197**	**$588,475**	**$1,117,722**	**$ —**
Investments measured at the net asset value (NAV):				
Common equity investment trusts	**227,268**			
Investments measured at cost:				
Money market mutual funds	**999,175**			
Cash/Other	**25,815**			
Total investments measured at cost	**1,024,990**			
Total special funds and supplemental power account	**$2,958,455**			
Derivative financial instruments:				
Interest rate swaps	**$ (14,436)**	**$ —**	**$ (14,436)**	**$ —**
Natural gas hedges	**1,733**	**1,733**	**—**	**—**
Total derivative financial instruments	**$ (12,703)**	**$ 1,733**	**$ (14,436)**	**$ —**

December 31, 2023	Total	Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Treasury securities	$ 326,407	$326,407	$ —	—
U.S. Government agency and agency-backed securities	909,785	—	909,785	—
Asset-backed securities	19,762	—	19,762	—
Corporate notes	163,234	—	163,234	—
Commercial mortgage-backed securities	4,469	—	4,469	—
Municipal bonds	22,190	—	22,190	—
Total investments by fair value level	1,445,847	$326,407	$1,119,440	$ —
Investments measured at the NAV:				
Common equity investment trusts	195,634			
Investments measured at cost:				
Money market mutual funds	902,687			
Cash/Other	50,662			
Total investments measured at cost	953,349			
Total special funds, supplemental power account and securities lending collateral	$2,594,830			
Derivative financial instruments:				
Interest rate swaps	$ (27,777)	$ —	$ (27,777)	$ —
Natural gas hedges	(2,693)	(2,693)	—	—
Total derivative financial instruments	$ (30,470)	$ (2,693)	$ (27,777)	$ —

Common Equity Investment Trusts Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
December 31, 2024	**$227,268**	**$ —**	**Daily, monthly**	**1–30 days**
December 31, 2023	$195,634	$ —	Daily, monthly	1–30 days

(M) ENTERPRISE RISK MANAGEMENT

The Board has established an Enterprise Risk Management (ERM) program through the approval of an ERM Policy. The ERM Policy governs the ERM program, which consists of a Board-level Risk Management and Audit Committee (RMAC), an Executive Enterprise Risk Management Committee (EERMC) and personnel dedicated to the day-to-day execution of ERM activities. The ERM function is responsible for assessing risks throughout the organization and working with the RMAC and EERMC to monitor and mitigate significant risks identified through the risk-assessment process.

(N) RECENT ACCOUNTING PRONOUNCEMENTS

In April 2022, GASB issued Statement No. 99 "Omnibus 2022" (Statement 99). The objectives of Statement 99 are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of Statement 99 effective for MEAG Power in 2023 and 2024 did not have a material impact on MEAG Power's financial statements.

In June 2022, GASB issued Statement No. 100, "Accounting Changes and Error Corrections — an Amendment of GASB Statement No. 62" (Statement 100). The primary objective of Statement 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. Statement 100 was effective for MEAG Power beginning in 2024, and did not impact MEAG Power's financial statements.

In June 2022, GASB issued Statement No. 101, "Compensated Absences" (Statement 101). The objective of Statement 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Statement 101 was effective for MEAG Power beginning in 2024, and it did not impact MEAG Power's financial statements.

In December 2023, GASB issued Statement No. 102, "Certain Risk Disclosures" (Statement 102). The objective of Statement 102 is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. Statement 102 is effective for MEAG Power beginning in 2025. The impact to MEAG Power's financial statements has not been determined.

In April 2024, GASB issued Statement No. 103, "Financial Reporting Model Improvements" (Statement 103). The objective of Statement 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. Statement 103 is effective for MEAG Power beginning in 2026. The impact to MEAG Power's financial statements has not been determined.

In September 2024, GASB issued Statement No. 104, "Disclosure of Certain Capital Assets" (Statement 104). The objective of Statement 104 is to provide users of government financial statements with essential information about certain types of capital assets. Statement 104 is effective for MEAG Power beginning in 2026. The impact to MEAG Power's financial statements has not been determined.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

3. PROPERTY, PLANT AND EQUIPMENT

PP&E activity for the years ended December 31, 2024 and 2023 is shown (in thousands) in the following table. Land is included in the electric component at a non-depreciable cost basis of $45.1 million and $45.2 million as of December 31, 2024 and 2023, respectively. In 2024, capital additions totaled $365.7 million, primarily pertaining to the completion of site construction on Unit 4 followed by testing and declaration of commercial operation on April 29, 2024. Final balance of plant, site grading, and site demobilization work continued through the remainder of 2024. In-service additions pertaining to transmission facilities and other generating units were also a factor.

Property, Plant and Equipment	As of December 31, 2022	Increases	Decreases	As of December 31, 2023	Increases	Decreases	**As of December 31, 2024**
Project One							
Electric utility plant in service	$ 3,461,255	$ 107,388	$ (22,374)	$ 3,546,269	$ 126,238	$ (28,543)	**$3,643,964**
Less accumulated depreciation	(1,919,837)	(70,423)	22,374	(1,967,886)	(98,793)	28,339	**(2,038,340)**
Electric utility depreciable plant, net	1,541,418	36,965	—	1,578,383	27,445	(204)	**1,605,624**
CWIP	121,623	169,475	(113,337)	177,761	154,450	(132,436)	**199,775**
Nuclear fuel, net	137,544	—	(547)	136,997	15,373	—	**152,370**
Total Project One	1,800,585	206,440	(113,884)	1,893,141	197,268	(132,640)	**1,957,769**
General Resolution Projects							
Electric utility plant in service	1,164,135	30,684	(5,577)	1,189,242	2,188	(4,394)	**1,187,036**
Less accumulated depreciation	(628,410)	(29,433)	5,577	(652,266)	(86,741)	4,394	**(734,613)**
Electric utility depreciable plant, net	535,725	1,251	—	536,976	(84,553)	—	**452,423**
CWIP	36,482	12,407	(31,494)	17,395	19,888	(2,299)	**34,984**
Nuclear fuel, net	17,803	419	—	18,222	2,253	—	**20,475**
Total General Resolution Projects	590,010	14,077	(31,494)	572,593	(62,412)	(2,299)	**507,882**
Combined Cycle Project							
Electric utility plant in service	332,861	598	—	333,459	221	(162)	**333,518**
Less accumulated depreciation	(173,717)	(9,114)	—	(182,831)	(9,088)	162	**(191,757)**
Electric utility depreciable plant, net	159,144	(8,516)	—	150,628	(8,867)	—	**141,761**
CWIP	12,089	—	(2,429)	9,660	409	—	**10,069**
Total Combined Cycle Project	171,233	(8,516)	(2,429)	160,288	(8,458)	—	**151,830**
Vogtle Units 3&4 Projects and Project Entities							
Electric utility plant in service	—	2,757,437	—	2,757,437	1,952,969	—	**4,710,406**
Less accumulated depreciation	—	(16,018)	—	(16,018)	(64,958)	—	**(80,976)**
Electric utility depreciable plant, net	—	2,741,419	—	2,741,419	1,888,011	—	**4,629,430**
CWIP	5,631,554	248,182	(2,749,304)	3,130,432	71,800	(1,949,352)	**1,252,880**
Nuclear fuel, net	133,348	—	(6,909)	126,439	—	(24,843)	**101,596**
Total Vogtle Units 3&4 Projects and Project Entities	5,764,902	2,989,601	(2,756,213)	5,998,290	1,959,811	(1,974,195)	**5,983,906**
Total property, plant and equipment, net	$ 8,326,730	$ 3,201,602	$(2,904,020)	$ 8,624,312	$ 2,086,209	$(2,109,134)	**$8,601,387**

4. SPECIAL FUNDS AND SUPPLEMENTAL POWER ACCOUNT

Investments

The ALCO Policy governs permitted investments, which include direct obligations of the U.S. Government, certain government agency and mortgage-backed securities, general and special obligations of states, certain Georgia political subdivision and public authority obligations, certain federal agency discount notes and money market mutual funds that are permissible securities, as well as repurchase and reverse repurchase agreements collateralized by permissible securities. In the Project Entities, the ALCO Policy also permits direct obligations of the U.S. Government, as well as certain government agency bonds, discount notes and money market mutual funds. In the Decommissioning Trust, in addition to these same categories of investments, the ALCO Policy permits common equity investment trusts, asset-backed securities, CP, and corporate and municipal bonds, as well as other debt obligations and certificates of deposit. Based on these guidelines, special funds and the supplemental power account are considered restricted assets as defined by Statement 34.

All of MEAG Power's investments are recorded and carried at fair value except for money market mutual funds, which are recorded at amortized cost. Quoted market prices or other inputs as permitted by Statement 72 (see Note 2, section (L), "Fair Value Measurements") are used in the determination of fair value. Unrealized gains/losses on investment securities are reported in net change in the fair value of financial instruments in the Statement of Net Revenues.

During 2024, MEAG Power suspended its securities lending program and terminated the securities loans.

Credit Risk

Credit risk is the risk that MEAG Power will be unable to recover its investments either by an inability to withdraw the funds through insolvency or nonperformance of a counterparty or an inability to recover collateral. In accordance with the ALCO Policy, MEAG Power manages exposure to credit risk by restricting investments to issuers that meet certain qualifications and therefore limits any potential credit exposure. In addition, all repurchase agreements must be collateralized using cash or securities permissible under the ALCO Policy at 102% of the market value of principal and accrued interest. As of December 31, 2024, substantially all of MEAG Power's investments were in U.S. Treasury and agency securities that are rated Aaa by Moody's and AA+ by S&P, and/or guaranteed by the issuer, which carries the Aaa/AA+ ratings. Common equity investment trusts are not rated.

The ALCO Policy establishes a framework to govern the management of MEAG Power's financial assets and liabilities. The primary objectives of the ALCO Policy are to preserve MEAG Power's capital, satisfy its liquidity and cash flow requirements, and create investment returns to reduce the overall revenue requirements of Participants without exposing MEAG Power's assets to undue or inappropriate risks.

The ALCO Policy is consistent with the requirements for state and local governments contained within State statutes, as well as applicable MEAG Power bond resolutions. As such, the following investment credit risk components are derived directly from the ALCO Policy: (1) U.S. Treasury securities held in the portfolio are direct obligations of the U.S. Treasury that carry the full faith and credit backing of the U.S. Government; (2) U.S. Government agency and agency-backed securities held are issued or otherwise guaranteed by agencies created pursuant to an Act of the U.S. Congress (Congress) as an agency, corporation or instrumentality of the U.S. Government; (3) Municipal bonds held are general or special obligations of states carrying at least an AA rating by two nationally recognized rating agencies or other State obligations, including political subdivisions or public authorities created by the State legislature; (4) Corporate notes and common equity investment trusts are held only in the Decommissioning Trust managed by external money managers and are subject to the "Prudent Investor" standard established by FERC, as well as the NRC, related to the Decommissioning Trust; and (5) Money market mutual funds are U.S. Treasury or government agency class-only funds rated AAAm by S&P and Aaa-mf by Moody's.

Custodial Credit Risk

In the event of failure of the counterparty, custodial credit risk is the risk that MEAG Power would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. MEAG Power limits the potential of such risk by ensuring that all investments are held by MEAG Power or by an agent in its name.

Concentration of Credit Risk

Concentration of credit risk is the chance of a loss due to the magnitude of MEAG Power's investment in a single issuer. Under the ALCO Policy, MEAG Power restricts possible concentration of credit risk by placing maximum exposure restrictions by security type. The ALCO Policy also requires diversification to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instrument, dealer or bank. Investments with one issuer that comprised 5% or more of MEAG Power's portfolio (excluding those issued or explicitly guaranteed by the U.S. Government, as well as mutual funds) as of December 31, 2024 were (dollars in thousands):

Issuer	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank	$302,737	10.23%
Federal Home Loan Bank	$201,731	6.82%
Federal National Mortgage Association	$171,866	5.81%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Interest Rate Risk

All fixed-income investments are exposed to interest rate risk. MEAG Power's investments would be subject to changes in fair value due to potential changes in interest rates. The ALCO Policy describes the maximum maturity limitations and performance benchmarks for each account in the funds established under the various bond resolutions and agreements pertaining to the Competitive Trust, as well as certain agreements with the DOE. These limits are based upon the underlying use of the monies deposited into each account. The maturity restrictions are designed to ensure that the assets are not invested longer than the intended use of the funds. The ALCO Policy prohibits the use of leverage or mortgage investments that are highly sensitive to interest rate changes, such as interest-only and principal-only securities. For reporting purposes, MEAG Power assumes that callable securities in its investment portfolio will be held until maturity.

At December 31, 2024, maturities of special funds and the supplemental power account were as follows (in thousands):

December 31, 2024	Maturities (in years)						
Investment Type	Under One	One — Three	Three — Seven	Seven — Ten	Over Ten	No Specific Maturity	Total
U.S. Treasury securities	**$ 390,362**	**$ 77,420**	**$ 70,279**	**$ 44,671**	**$ 5,743**	**$ —**	**$ 588,475**
U.S. Government agency and agency-backed securities	**258,018**	**189,559**	**229,895**	**100,640**	**147,566**	**—**	**925,678**
Corporate notes	**19,049**	**33,109**	**76,994**	**22,582**	**3,169**	**—**	**154,903**
Asset-backed securities	**—**	**1,527**	**11,522**	**3,988**	**—**	**—**	**17,037**
Commercial mortgage-backed securities	**—**	**—**	**—**	**—**	**3,520**	**—**	**3,520**
Common equity investment trusts	**—**	**—**	**—**	**—**	**—**	**227,268**	**227,268**
Municipal bonds	**3,342**	**6,565**	**6,677**	**—**	**—**	**—**	**16,584**
Money market mutual funds	**999,175**	**—**	**—**	**—**	**—**	**—**	**999,175**
Cash/Other	**—**	**—**	**—**	**—**	**—**	**25,815**	**25,815**
Total special funds and supplemental power account	**$1,669,946**	**$ 308,180**	**$ 395,367**	**$ 171,881**	**$ 159,998**	**$ 253,083**	**$2,958,455**

At December 31, 2023, maturities of special funds, the supplemental power account and securities lending were as follows (in thousands):

December 31, 2023	Maturities (in years)						
Investment Type	Under One	One — Three	Three — Seven	Seven — Ten	Over Ten	No Specific Maturity	Total
U.S. Treasury securities	$ 123,352	$ 78,731	$ 101,652	$ 22,672	$ —	$ —	$ 326,407
U.S. Government agency and agency-backed securities	299,329	330,007	161,928	34,507	84,014	—	909,785
Corporate notes	8,623	46,886	86,146	18,121	3,458	—	163,234
Asset-backed securities	—	8,656	4,066	7,040	—	—	19,762
Commercial mortgage-backed securities	—	—	—	—	4,469	—	4,469
Common equity investment trusts	—	—	—	—	—	195,634	195,634
Municipal bonds	5,810	3,272	13,108	—	—	—	22,190
Money market mutual funds	902,673	—	—	—	14	—	902,687
Cash/Other	—	—	—	—	—	50,662	50,662
Total special funds, supplemental power account and securities lending collateral	$ 1,339,787	$ 467,552	$ 366,900	$ 82,340	$ 91,955	$ 246,296	$ 2,594,830

Classification

Investments are classified as current or non-current assets based on whether the securities represent funds available for current disbursement under the terms of the related trust agreement or other contractual provisions. Brief descriptions of funds not discussed elsewhere in these Notes are as follows:

- Construction funds are established to maintain funds for the payment of all costs and expenses related to the cost of acquisition and construction of a project, which MEAG Power is permitted to finance through the issuance of debt.
- Revenue and Operating funds are used for the purpose of depositing all revenues and disbursement of operating expenses and required fund deposits of the projects.
- Reserve and Contingency funds are used to accumulate and maintain a reserve for payment of the costs of major renewals, replacements, repairs, additions, betterments and improvements for the projects (Reserve and Contingency).
- Debt Service funds are established for the purpose of accumulating funds for the payment of interest and principal on each payment date of the bonds and notes issued for the projects.
- Debt Service Reserve Accounts (DSRA) are established for certain funding requirements in accordance with applicable bond resolutions and DOE financing documents.

At December 31, 2024, investments in special funds and the supplemental power account were classified on the Balance Sheet as follows (in thousands):

December 31, 2024	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Special funds, non-current:						
Decommissioning Trust	**$ 616,091**	**$ 71,485**	**$ —**	**$ 7,451**	**$ —**	**$ 695,027**
Construction fund	**132,591**	**18,337**	**202**	**46,287**	**—**	**197,417**
Debt Service fund — Reserve and Retirement accounts	**50,181**	**12,069**	**6,204**	**422,442**	**—**	**490,896**
Revenue and Operating fund	**—**	**—**	**16,229**	**—**	**—**	**16,229**
Reserve and Contingency fund	**17,577**	**7,497**	**8,975**	**111,917**	**—**	**145,966**
Competitive Trust:						
New Generation and Capacity Funding account	**—**	**—**	**—**	**—**	**230,719**	**230,719**
Reserve Funded Debt account	**—**	**—**	**—**	**—**	**1,885**	**1,885**
Total special funds, non-current	**816,440**	**109,388**	**31,610**	**588,097**	**232,604**	**1,778,139**
Special funds, current:						
Revenue and Operating fund	**102,813**	**46,877**	**23,808**	**141,114**	**—**	**314,612**
Debt Service fund — Debt Service account	**46,365**	**7,305**	**914**	**188,101**	**—**	**242,685**
Subordinated Debt Service fund — Debt Service accounts	**205,831**	**18,969**	**—**	**—**	**—**	**224,800**
Construction fund	**22,642**	**—**	**—**	**2,552**	**—**	**25,194**
Competitive Trust — Flexible Operating account	**—**	**—**	**—**	**—**	**361,770**	**361,770**
Total special funds, current	**377,651**	**73,151**	**24,722**	**331,767**	**361,770**	**1,169,061**
Supplemental power account	**11,255**	**—**	**—**	**—**	**—**	**11,255**
Total special funds and supplemental power account	**$1,205,346**	**$182,539**	**$56,332**	**$919,864**	**$594,374**	**$2,958,455**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

At December 31, 2023, investments in special funds, the supplemental power account and securities lending were classified on the Balance Sheet as follows (in thousands):

December 31, 2023	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Special funds, non-current:						
Decommissioning Trust	$563,919	$ 65,729	$ —	$ —	$ —	$ 629,648
Construction fund	95,184	13,838	192	72,471	—	181,685
Debt Service fund — Reserve and Retirement accounts	50,191	12,933	20,052	389,928	—	473,104
Revenue and Operating fund	—	—	9,915	—	—	9,915
Reserve and Contingency fund	32,120	9,142	3,283	73,631	—	118,176
Competitive Trust:						
New Generation and Capacity Funding account	—	—	—	—	248,967	248,967
Reserve Funded Debt account	—	—	—	—	1,792	1,792
Total special funds, non-current	741,414	101,642	33,442	536,030	250,759	1,663,287
Special funds, current:						
Decommissioning Trust	—	—	—	2,057	—	2,057
Revenue and Operating fund	69,462	38,097	25,174	124,508	—	257,241
Debt Service fund — Debt Service account	35,630	8,491	3,852	169,131	—	217,104
Subordinated Debt Service fund — Debt Service accounts	57,980	12,732	—	—	—	70,712
Construction fund	1,854	—	—	15,593	—	17,447
Competitive Trust — Flexible Operating account	—	—	—	—	359,763	359,763
Total special funds, current	164,926	59,320	29,026	311,289	359,763	924,324
Supplemental power account	7,088	—	—	—	—	7,088
Securities lending collateral	117	14	—	—	—	131
Total special funds, supplemental power account and securities lending collateral	$913,545	$160,976	$62,468	$847,319	$610,522	$2,594,830

5. LONG- AND SHORT-TERM DEBT, CREDIT AGREEMENTS AND INTEREST RATE SWAPS

All outstanding bonds issued under a resolution are secured by a pledge of electric power revenues, attributable to the respective projects after payment of operating costs, as well as by pledges of the assets in the funds established by the bond resolutions. In addition, each Participant's payment obligations under the Power Sales Contracts are general obligations to which each Participant's full faith and credit are pledged. Also, each Power Sales Contract includes a provision for the assessment and collection of an ad valorem tax by the Participant, if necessary to meet its obligations under the applicable Power Sales Contract.

Project One has been financed through the issuance of senior lien bonds (Power Revenue Bonds) and subordinated lien bonds under the Power Revenue Bond Resolution. The General Resolution Projects have also been financed through the issuance of senior lien bonds (General Power Revenue Bonds) and subordinated lien bonds under the General Power Revenue Bond Resolution. The CC Project has been financed through the issuance of senior lien bonds (CC Project Bonds) under the Combined Cycle Project Bond Resolution (CC Project Bond Resolution). Bonds issued for the Vogtle Units 3&4 Projects under the applicable resolutions are senior debt.

As discussed in the first paragraph of this Note, MEAG Power has pledges of revenues and certain assets as collateral for Power Revenue Bonds, General Power Revenue Bonds, CC Project Bonds and subordinated bonds. Similar provisions also apply to Vogtle Units 3&4 Bonds (see the "Financing of Vogtle Units 3&4 Projects and Project Entities" section of this Note), as well as other collateral aspects for DOE Guaranteed Loans, as discussed in Note 1 (D) "— Structure, DOE Guaranteed Loans and Recent Bond Financing — DOE Loan Guarantee Program."

Power Revenue Bonds, General Power Revenue Bonds, Subordinated Debt and Credit Agreements

Under the Act, prior to the issuance of any of its revenue bonds, MEAG Power is required to cause such bonds, and the security therefor, to be confirmed and validated in a judicial proceeding in the Superior Court of Fulton County, Georgia (Superior Court of Fulton County). Prior to 2018, MEAG Power had caused the following principal amounts of its Power Revenue Bonds, General Power Revenue Bonds and subordinated lien bonds to finance and refinance Project One and the General Resolution Projects to be confirmed and validated (in thousands):

	Validated Amount
Project One:	
Power Revenue Bonds	$ 8,015,100
Subordinated lien bonds	5,377,855
General Resolution Projects:	
General Power Revenue Bonds	3,337,449
Subordinated lien bonds	1,776,038
Total	$18,506,442

The bond resolutions permit the issuance of bonds in the future for certain purposes. No scheduled debt maturity for Project One or the General Resolution Projects may extend beyond June 2054, the expiration of the Power Sales Contracts for the respective project — see Note 1, section (B), "Project One and the General Resolution Projects."

On July 17, 2018, the Superior Court of Fulton County entered a judgment which confirmed and validated bonds of MEAG Power to finance the cost of acquisition and construction of capital improvements to the applicable project and to refund Power Revenue Bonds, General Power Revenue Bonds and subordinated lien bonds, as applicable, in the following aggregate principal amounts (in thousands):

	Validated Amount
Project One	$4,706,900
General Resolution Projects	1,396,900
Total	$6,103,800

The Superior Court of Fulton County also confirmed and validated (i) a method or formula for structuring debt service on Power Revenue Bonds, General Power Revenue Bonds and subordinated lien bonds that provides MEAG Power with additional flexibility in the structuring of such debt service and (ii) the validity and enforceability of bond resolutions, as amended and restated, for Project One and the General Resolution Projects.

Debt issued under the subordinated bond resolutions is subordinate in all respects to the Power Revenue Bonds and the General Power Revenue Bonds.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In January 2024, MEAG Power issued the following Project One and General Resolution Projects CP Notes under its Bond Anticipation Notes (BANs) Resolutions, to fund construction expenditures and refund existing debt (in thousands):

	BANs, Series B
Project One	$100,000
General Resolution Projects	10,500
Total	$110,500

In October 2024, MEAG Power issued $376.7 million of Project One Subordinated Bonds, Series 2024A and $21.7 million of General Resolution Projects Subordinated Bonds, Series 2024A. The net proceeds were used to (a) finance certain capital improvements, (b) refund, on January 2, 2025, $153.1 million of certain senior and subordinated lien bonds and (c) repay $198.0 million of outstanding CP and amounts under certain revolving credit notes in November and December 2024. The refunding resulted in a net present value savings of approximately $14 million and a net gain for accounting purposes of approximately $8 million, which was capitalized as deferred inflows on debt refunding and will be amortized over the life of the refunding bonds, beginning in 2025.

On November 17, 2022, MEAG Power extended its letters of credit with a commercial bank for Project One and with another commercial bank for the General Resolution Projects until November 17, 2026. As of both December 31, 2024 and 2023, $150.0 million in letters of credit were in effect to support CP notes, none of which were issued and outstanding as of such dates. An interest portion of $5.9 million related to the letters of credit was also available. Any amounts drawn under the letters of credit would be payable by MEAG Power on a semiannual basis over a three-year period using the bank's interest rates. The maximum amount of CP authorized to be issued is $410.0 million, but in no event can the aggregate principal amount of all CP notes outstanding, and the interest thereon due at maturity, exceed the aggregate stated amounts of all such letters of credit at any time outstanding and in effect. A principal amount of validated but unissued Power Revenue Bonds and General Power Revenue Bonds of not less than the amount of subordinated bonds issued as BANs is required and was maintained as of both December 31, 2024 and 2023.

On November 9, 2022, MEAG Power and two commercial banks renewed its revolving credit agreements (RCAs) for Project One and the General Resolution Projects that permit MEAG Power to borrow from such banks, until the end of the revolving credit period thereunder (until November 9, 2025 unless earlier terminated, and subject to extension at the sole discretion of the applicable bank), in the aggregate, not to exceed $225.0 million. Any amounts borrowed under the RCAs would be payable by MEAG Power following the end of the revolving credit period on a quarterly basis over a three-year period using the bank's interest rates. Since the notes evidencing such banks' right to be repaid for such borrowings constitute subordinated bonds issued as BANs, a principal amount of validated but unissued Power Revenue Bonds and General Power Revenue Bonds of not less than the amount of such subordinated bonds is required and was maintained as of both December 31, 2024 and 2023.

An agreement has also been entered into with a commercial bank, which generally provides for the purchase by the bank of variable-rate demand bonds, if any are not remarketed. In January 2025, this agreement was extended for two years to February 11, 2027. None of the aforementioned bonds, which totaled $148.1 million as of both December 31, 2024 and 2023, were held by the bank at either date. Under the terms of this agreement, any bonds purchased by the bank would be payable by MEAG Power on a semiannual basis over five years.

Combined Cycle Project Revenue Bonds

As of December 31, 2024, MEAG Power had validated by court judgments $975.3 million of CC Project bonds, which includes $200.0 million for prepayment of fuel costs. Reference to "court judgments" for these bonds, as well as for the Vogtle Units 3&4 Bonds described below, indicates that MEAG Power is authorized to issue such bonds up to the validated amount.

Financing of Vogtle Units 3&4 Projects and Project Entities

Vogtle Units 3&4 Bonds

Construction of Project M, Project J and Project P was financed, in part, through the issuance of bonds, including BANs and revenue bonds constituting Build America Bonds (Build America Bonds) for purposes of the American Recovery and Reinvestment Act of 2009 (Recovery Act) under the applicable Project M Bond Resolution, Project J Bond Resolution and Project P Bond Resolution, respectively. All bonds (including BANs) heretofore or hereafter issued under these resolutions, as applicable, are referred to herein as Project M Bonds, Project J Bonds and Project P Bonds, respectively, and are collectively referred to herein as the Vogtle Units 3&4 Bonds.

As of December 31, 2024, MEAG Power had validated by court judgments $5.0 billion of Project M Bonds for the purpose of financing Project M and refunding Project M Bonds and the Project M Original DOE Guaranteed Loan, $6.0 billion of Project J Bonds for the purpose of financing Project J and refunding Project J Bonds and the Project J Original DOE Guaranteed Loan, and $3.4 billion of Project P Bonds for the purpose of financing Project P and refunding Project P Bonds and the Project P Original DOE Guaranteed Loan.

Under the Recovery Act, MEAG Power, provided it complies with the requirements of the Recovery Act, may receive cash subsidy payments rebating a portion of the interest on the Build America Bonds from the U.S. Treasury up to 35% of the interest payable on such bonds. No assurance can be given by MEAG Power of the receipt of such cash subsidy payments. MEAG Power is obligated to make payments of the principal and interest on the Build America Bonds whether or not it receives such cash subsidy payments. As a result of several legislative acts in recent years, a sequester reduction on all subsidy payments owed to issuers of direct-pay Build America Bonds has been extended through 2031 (the Sequester Reduction).

The Sequester Reduction percentage for the federal fiscal year ended September 30, 2024 was 5.7% and is also 5.7% for the federal fiscal year ending September 30, 2025.

To finance construction costs for Vogtle Units 3&4, MEAG Power issued the following Series 2023A and 2023B (taxable) bonds in January 2023 (in thousands):

Vogtle Units 3&4	Series	Amount
Project M	2023A	$128,035
Project J	2023A	192,370
Project P	2023A	61,665
Project P	2023B	69,985
Total		$452,055

For information pertaining to DOE Guaranteed Loans, see Note 1 (D) "— Structure, DOE Guaranteed Loans and Recent Bond Financing — DOE Loan Guarantee Program."

Vogtle Units 3&4 Credit Agreements

On December 28, 2023, MEAG Power entered into three revolving credit agreements with a commercial bank to fund construction completion costs and post-commercial operation capital projects relating to Vogtle Units 3&4. Advances under each credit agreement may be made on a tax-exempt or taxable basis. The commitment amount, not to exceed in the aggregate, for Project M is $50 million. The credit agreements relating to Project J and Project P were subsequently amended and restated on March 27, 2024, and the commitments thereunder were increased to $75 million and $40 million, respectively. MEAG Power's obligations relating to the Project M credit agreement are evidenced by Plant Vogtle Units 3&4 Project M Bonds, Series 2023B and Taxable Series 2023C. Its obligations relating to the Project J credit agreement are evidenced by Plant Vogtle Units 3&4 Project J Bonds, Series 2023B and Taxable Series 2023C. Its obligations relating to the Project P credit agreement are evidenced by Plant Vogtle Units 3&4 Project P Bonds, Series 2023C and Taxable Series 2023D. MEAG Power may borrow under the credit agreements until the maturity date thereunder (currently, December 28, 2025), unless earlier terminated, and subject to extension of such date at the sole discretion of the commercial bank.

Other Credit Agreements and Short-Term Debt

On April 2, 2025, MEAG Power entered into three revolving credit agreements with a commercial bank, one for Project One, one for the General Resolution Projects and one for the CC Project (respectively, the Project One Revolving Credit Agreement, the General Resolution Projects Revolving Credit Agreement and the CC Project Revolving Credit Agreement and, collectively, the Lines of Credit), in substitution for previous lines of credit entered into for Project One, the General Resolution Projects and the CC Project, respectively. The aggregate commitment under all three Lines of Credit is $72.5 million. Amounts outstanding under one of these Lines of Credit reduces the amount that may be borrowed under the other Lines of Credit. All loans under the Lines of Credit are evidenced by notes that constitute bond anticipation notes in accordance with the Act. Under the Lines of Credit, prior to the "termination date" thereof (which currently is March 31, 2028, but is subject to extension from time to time at the sole discretion of the bank), MEAG Power is required to issue and sell Power Revenue Bonds, General Power Revenue Bonds or CC Project Bonds, as applicable, in an amount sufficient to repay the notes in full at their maturity, unless other funds have been provided therefor. The Lines of Credit provide that, upon the occurrence and continuation of any event of default on the part of MEAG Power thereunder, the bank may, among other things, require MEAG Power to issue a series of Power Revenue Bonds, General Power Revenue Bonds or CC Project Bonds, as applicable in exchange for the notes, which bonds shall mature in one, two or three years, at the option of the bank.

Changes in Lines of Credit and short-term debt during the years ended December 31, 2024 and 2023 were (in thousands):

Lines of Credit and Short-term Debt	Balance December 31, 2022	Proceeds	Payments	Balance December 31, 2023	Proceeds	Payments	**Balance December 31, 2024**
Project One	$12,500	$92,000	$86,500	$18,000	$13,735	$17,000	**$14,735**
General Resolution Projects	2,000	7,000	2,000	7,000	3,565	—	**10,565**
CC Project	—	—	—	—	—	—	**—**
Total	$14,500	$99,000	$88,500	$25,000	$17,300	$17,000	**$25,300**

MEAG Power had unused Lines of Credit of $47.2 million and $47.5 million as of December 31, 2024 and 2023, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Other Financing Transactions

MEAG Power uses various methods of hedging, including floating-to-fixed interest rate swap agreements, as part of its debt management under the ALCO Policy. Floating-to-fixed interest rate swaps, as discussed in these Notes, are hedging instruments whereby MEAG Power pays a fixed rate and receives a floating rate.

Under certain circumstances, a swap transaction is subject to early termination prior to its scheduled termination and prior to the maturity of the related bonds, in which event MEAG Power may be obligated to make or receive a substantial payment to or from the counterparty. As of both December 31, 2024 and 2023, MEAG Power had interest rate swap transactions outstanding under interest rate swap master agreements with three counterparties.

The mark-to-market value of interest rate swap agreements is recorded in other non-current liabilities on the Balance Sheet and totaled $14.6 million and $28.6 million as of December 31, 2024 and 2023, respectively. Statement 53 requires hedging instruments to be evaluated for effectiveness, with the change in the fair value of effective hedging instruments recorded as a deferred inflow or outflow. For the years ended December 31, 2024 and 2023, a fair value increase (decrease) of $14.0 million and $(7.6) million, respectively, was recorded in deferred outflows of resources on the Balance Sheet.

The terms of the interest rate swap agreements outstanding as of December 31, 2024 and 2023 were as follows (dollars in thousands):

Project	**Notional Amount Outstanding December 31, 2024**	Interest Rate *		Term Dates		Credit Rating		
		Paid	Received	Start	End	Fitch	Moody's	S&P
One	**$ 49,225**	**4.43%**	**SIFMA**	**Jan. 2005**	**Jan. 2048**	**AA**	**Aa2**	**AA-**
One	**59,275**	**4.31%**	**SIFMA**	**Jan. 2005**	**Jan. 2048**	**AA-**	**Aa2**	**A+**
One	**39,150**	**4.20%**	**SIFMA**	**Jan. 2005**	**Jan. 2044**	**A+**	**A1**	**A-**
Total	**$147,650**							

Project	Notional Amount Outstanding December 31, 2023	Interest Rate *		Term Dates		Credit Rating		
		Paid	Received	Start	End	Fitch	Moody's	S&P
One	$ 49,225	4.43%	SIFMA	Jan. 2005	Jan. 2048	AA	Aa2	A+
One	59,275	4.31%	SIFMA	Jan. 2005	Jan. 2048	AA-	Aa2	A+
One	39,150	4.20%	SIFMA	Jan. 2005	Jan. 2044	A+	A1	A-
Total	$147,650							

* SIFMA is the Securities Industry and Financial Markets Association Municipal Swap Index, produced by Municipal Market Data, and is a seven-day, high-grade market index comprising tax-exempt, variable-rate debt obligations.

For a discussion of risks pertaining to interest rate swap agreements, see Note 2, section (K), "Derivative Financial Instruments."

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Long-Term Debt Activity

Changes in long-term debt during the years ended December 31, 2024 and 2023 were (in thousands):

Senior and Subordinated Debt	As of December 31, 2022	Increases	Decreases	As of December 31, 2023	Increases	Decreases	As of December 31, 2024
Project One							
Power Revenue bonds	$ 311,390	$ —	$ (22,075)	$ 289,315	$ —	$ (29,210)	**$ 260,105**
Unamortized (discount) premium, net	11,825	1	(2,036)	9,790	—	(1,748)	**8,042**
Subordinated debt	1,202,996	120,965	(73,929)	1,250,032	502,187	(285,924)	**1,466,295**
Unamortized (discount) premium, net	107,959	—	(14,207)	93,752	41,516	(14,087)	**121,181**
Total Project One	1,634,170	120,966	(112,247)	1,642,889	543,703	(330,969)	**1,855,623**
General Resolution Projects							
General Power Revenue bonds	101,075	—	(7,555)	93,520	—	(6,905)	**86,615**
Unamortized (discount) premium, net	2,983	—	(534)	2,449	—	(507)	**1,942**
Subordinated debt	217,150	5,060	(11,445)	210,765	34,200	(33,805)	**211,160**
Unamortized (discount) premium, net	23,937	—	(3,833)	20,104	2,219	(3,618)	**18,705**
Total General Resolution Projects	345,145	5,060	(23,367)	326,838	36,419	(44,835)	**318,422**
Combined Cycle Project							
Combined Cycle Project Revenue bonds	65,625	—	(20,620)	45,005	—	(21,115)	**23,890**
Unamortized (discount) premium, net	6,388	—	(2,249)	4,139	—	(1,512)	**2,627**
Total Combined Cycle Project	72,013	—	(22,869)	49,144	—	(22,627)	**26,517**
Vogtle Units 3&4 Projects and Project Entities							
Vogtle Units 3&4 Projects Revenue bonds	4,729,890	452,055	(36,330)	5,145,615	69,800	(42,950)	**5,172,465**
Unamortized (discount) premium, net	169,694	18,834	(9,535)	178,993	244	(10,572)	**168,665**
DOE Guaranteed Loans	2,124,652	—	(33,951)	2,090,701	—	(34,691)	**2,056,010**
Total Vogtle Units 3&4 Projects and Project Entities	7,024,236	470,889	(79,816)	7,415,309	70,044	(88,213)	**7,397,140**
Total senior and subordinated debt	$9,075,564	$ 596,915	$ (238,299)	$9,434,180	$ 650,166	$ (486,644)	**$9,597,702**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Long-Term Debt by Series and DOE Guaranteed Loans

All Power Revenue Bonds, General Power Revenue Bonds, CC Project Bonds, as well as Vogtle Units 3&4 Bonds, and certain subordinated bonds bear interest at fixed rates. The remaining subordinated bonds bear interest at variable interest rates. Advances under the DOE Guaranteed Loans are at both fixed and variable rates. At December 31, 2024 and 2023, MEAG Power's long-term debt consisted of the following (in thousands):

Project One	**2024**	2023
Power Revenue Bonds (senior):		
Series BB	**$ 2,960**	$ 5,825
Series EE	**27,725**	38,125
Series GG	**63,295**	76,220
Series HH	**152,585**	152,585
Taxable Series Four	**13,540**	16,560
Total	**260,105**	289,315
Unamortized (discount) premium, net	**8,042**	9,790
Total Power Revenue Bonds outstanding	**268,147**	299,105
Subordinated debt:		
Series 2005A-1 — Taxable fixed rate	**36,000**	41,620
Series 2007B — Taxable fixed rate	**9,180**	9,760
Series 2008B — Variable rate	**148,065**	148,065
Series 2015A — Fixed rate	**110,035**	115,655
Series 2015A — Fixed rate Capital Appreciation Bonds (CABs)	**10,091**	10,090
Series 2016A — Fixed rate	**199,795**	203,420
Series 2019A — Fixed rate	**218,705**	225,430
Series 2020A — Fixed rate	**119,470**	134,660
Series 2021A — Fixed rate	**136,015**	136,015
Series 2021B — Taxable fixed rate	**98,440**	101,505
Series 2024A — Fixed rate	**376,705**	—
Revolving credit notes:		
Taxable variable rate	**—**	7,000
Tax Exempt variable rate	**—**	113,500
Total	**1,462,501**	1,246,720
Accretion of CABs	**3,794**	3,312
Unamortized (discount) premium, net	**121,181**	93,752
Total subordinated debt	**1,587,476**	1,343,784
Total senior and subordinated debt	**1,855,623**	1,642,889
Current portion of long-term debt	**(81,009)**	(71,824)
Total Project One long-term debt	**$1,774,614**	$1,571,065

General Resolution Projects	**2024**	2023
General Power Revenue Bonds (senior):		
1993B Series	**$ 10**	$ 15
2012B Series	**3,965**	4,245
2018A Series	**58,465**	59,695
Taxable 2012A Series	**24,175**	29,565
Total	**86,615**	93,520
Unamortized (discount) premium, net	**1,942**	2,449
Total General Power Revenue Bonds outstanding	**88,557**	95,969
Subordinated debt:		
Series 2007A — Taxable fixed rate	**18,470**	19,635
Series 2015A — Fixed rate	**7,725**	8,190
Series 2016A — Fixed rate	**47,265**	52,325
Series 2019A — Fixed rate	**6,200**	7,040
Series 2020A — Fixed rate	**50,225**	53,060
Series 2021A — Fixed rate	**42,115**	42,220
Series 2021B — Taxable fixed rate	**17,460**	18,785
Series 2024A — Fixed rate	**21,700**	—
Revolving credit note — variable rate	**—**	9,510
Total	**211,160**	210,765
Unamortized (discount) premium, net	**18,705**	20,104
Total subordinated debt	**229,865**	230,869
Total senior and subordinated debt	**318,422**	326,838
Current portion of long-term debt	**(21,615)**	(21,615)
Total General Resolution Projects long-term debt	**$ 296,807**	$ 305,223

Combined Cycle Project	**2024**	2023
Revenue bonds (senior):		
Series 2020A	**$ 23,890**	$ 45,005
Unamortized (discount) premium, net	**2,627**	4,139
Total senior bonds outstanding	**26,517**	49,144
Current portion of long-term debt	**(4,335)**	(21,115)
Total Combined Cycle Project long-term debt	**$ 22,182**	$ 28,029

Vogtle Units 3&4 Projects and Project Entities	**2024**	2023
Revenue bonds (senior):		
Series 2010A, Project J — Taxable (Build America Bonds)	**$1,149,130**	$1,163,975
Series 2015A, Project J	**185,180**	185,180
Series 2019A, Project J	**564,560**	568,715
Series 2021A, Project J	**148,040**	149,220
Series 2022A, Project J	**210,450**	212,005
Series 2023A, Project J	**192,370**	192,370
Series 2023B, Project J	**30,000**	—
Series 2010A, Project M — Taxable (Build America Bonds)	**947,545**	959,745
Series 2019A, Project M	**445,635**	445,635
Series 2021A, Project M	**81,515**	82,275
Series 2022A, Project M	**50,850**	51,185
Series 2023A, Project M	**128,035**	128,035
Series 2023B, Project M	**13,500**	—
Series 2010A, Project P — Taxable (Build America Bonds)	**361,115**	365,535
Series 2015A, Project P	**69,245**	69,245
Series 2019B, Project P	**263,360**	265,485
Series 2021A, Project P	**62,615**	63,390
Series 2022A, Project P	**50,405**	50,405
Series 2022B, Project P — Taxable	**60,965**	61,565
Series 2023A, Project P	**61,665**	61,665
Series 2023B, Project P — Taxable	**69,985**	69,985
Series 2023C, Project P	**4,800**	—
Series 2023D, Project P — Taxable	**21,500**	—
Total	**5,172,465**	5,145,615
Unamortized (discount) premium, net	**168,665**	178,993
Current portion of long-term debt	**(81,490)**	(72,950)
Total Vogtle Units 3&4 Bonds	**5,259,640**	5,251,658
DOE Guaranteed Loans:		
Federal Financing Bank, SPVJ — Fixed rate	**331,294**	339,311
Federal Financing Bank, SPVJ — Variable rate	**299,166**	303,232
Federal Financing Bank, SPVM — Fixed rate	**378,812**	384,841
Federal Financing Bank, SPVM — Variable rate	**272,946**	277,173
Federal Financing Bank, SPVP — Fixed rate	**572,029**	582,177
Federal Financing Bank, SPVP — Variable rate	**201,763**	203,967
Total	**2,056,010**	2,090,701
Current portion of long-term debt	**(35,642)**	(34,691)
Total DOE Guaranteed Loans	**2,020,368**	2,056,010
Total Vogtle Units 3&4 Projects and Project Entities long-term debt	**$7,280,008**	$7,307,668

Debt Service

At December 31, 2024, expected debt service payments for the Power Revenue Bonds, General Power Revenue Bonds, CC Project Bonds, Vogtle Units 3&4 Bonds and DOE Guaranteed Loans (net of applicable subsidy payments on the Build America Bonds and capitalized interest payments totaling $1.2 billion collectively for the Vogtle Units 3&4 Bonds and DOE Guaranteed Loans, and excluding amounts paid under PPA of $1.1 billion for principal and $3.3 billion for interest net of subsidy payments on the Build America Bonds), were as follows (in thousands):

	Project One		*General Resolution Projects*		*Combined Cycle Project*		*Vogtle Units 3&4 Projects and Project Entities*		
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2025	$ 39,670	$ 10,114	$ 5,875	$ 4,047	$ 4,366	$1,122	$ 30,402	$ 96,854	$ 192,450
2026	13,940	7,580	7,490	3,779	4,560	940	31,533	94,258	164,080
2027	5,500	6,891	8,010	3,422	4,801	712	32,740	92,856	154,932
2028	5,770	6,620	8,415	3,033	5,049	472	33,991	91,463	154,813
2029	2,255	6,332	4,252	2,618	4,392	220	35,289	90,050	145,408
2030 — 2034	22,394	27,251	11,720	10,159	—	—	197,903	421,627	691,054
2035 — 2039	31,067	21,674	14,225	7,418	—	—	376,709	376,979	828,072
2040 — 2044	25,270	14,520	2,890	5,232	—	—	773,117	490,357	1,311,386
2045 — 2049	50,944	7,349	23,738	4,007	—	—	1,009,516	905,353	2,000,907
2050 — 2054	—	—	—	—	—	—	1,289,729	654,835	1,944,564
2055 — 2059	—	—	—	—	—	—	1,125,891	322,646	1,448,537
2060 — 2064	—	—	—	—	—	—	361,419	56,626	418,045
Total	$196,810	$108,331	$86,615	$43,715	$23,168	$3,466	$5,298,239	$3,693,904	$9,454,248

The reduction of subsidy payments on the Build America Bonds as a result of the Sequester Reduction has been excluded from the above table.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

At December 31, 2024, scheduled debt service payments, including CABs, which are accreted through December 31, 2024, for the subordinated debt were as follows (in thousands):

	Project One			*General Resolution Projects*		
Year	Principal	Interest	Net Swap Cash Flows	Principal	Interest	Total
2025	$ 32,405	$ 48,025	$ 1,056	$ 7,155	$ 8,726	$ 97,367
2026	81,265	61,043	1,056	8,575	9,469	161,408
2027	47,180	57,349	1,056	21,290	9,006	135,881
2028	38,195	55,360	1,056	16,965	8,112	119,688
2029	54,190	52,133	1,056	13,985	7,191	128,555
2030 — 2034	296,910	235,796	5,262	90,640	24,048	652,656
2035 — 2039	267,014	161,225	4,301	36,510	6,816	475,866
2040 — 2044	189,132	108,867	2,567	9,360	2,353	312,279
2045 — 2049	284,808	62,274	505	6,680	1,303	355,570
2050 — 2054	81,931	12,212	—	—	—	94,143
Total	$1,373,030	$854,284	$17,915	$211,160	$77,024	$2,533,413

Variable-rate debt may be in various modes including, but not limited to, money-market mode, daily mode, weekly mode and CP mode and is reset in time increments ranging from one day to 180 days. The interest rates on variable-rate subordinated debt at December 31, 2024 were used to calculate future interest expense on this debt. Principal amounts include both refundable principal installment bonds that have been extended to the expected maturity dates of the bonds that will refund them and also bonds that will be paid with funds on hand.

The Power Revenue Bond Resolution and General Power Revenue Bond Resolution require that MEAG Power charge and collect, in each year, rates, fees and other charges that, together with other available funds, are sufficient for the payment of operating expenses, 1.10 times senior debt service and all other charges and liens payable out of revenues (Senior Requirement), including 1.0 times subordinated debt service (Subordinated Requirement). The CC Project Bond Resolution requires that MEAG Power charge and collect, in each year, rates, fees and other charges that, together with other available funds, are sufficient for the payment of operating expenses, 1.0 times debt service, the collections for the Reserve and Contingency funds and all other charges and liens payable out of revenues (CC Requirement). The Project M Bond Resolution, Project J Bond Resolution and Project P Bond Resolution and the Project Entities' LGAs (collectively, the Vogtle Units 3&4 Projects Bond Resolutions and Lending Agreements) require that MEAG Power charge and collect, in each year, for each Vogtle Units 3&4 Project, rates, fees and other charges that, together with other available funds, are sufficient for the payment of such Project's operating expenses, 1.0 times such Project's debt service on both the applicable Project's Bonds and DOE Guaranteed Loan and, during commercial operation, funding of such Project's Reserve and Contingency Fund (with respect to each Vogtle Units 3&4 Project, the Vogtle Units 3&4 Requirement).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

For 2024 and 2023, the Senior Requirement and the Subordinated Requirement were met for the Power Revenue Bond Resolution and the General Power Revenue Bond Resolution; the CC Requirement was met for the CC Project Bond Resolution; and the Vogtle Units 3&4 Requirements were met for the Vogtle Units 3&4 Projects Bond Resolutions and Lending Agreements, as shown in the following table (dollars in thousands):

2024	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Total
Total revenues	**$430,833**	**$189,901**	**$ 99,845**	**$515,290**	**$1,235,869**
Deferred inflows of resources[1]	**101,698**	**(42,139)**	**9,614**	**—**	**69,173**
Adjusted revenues	**$532,531**	**$147,762**	**$109,459**	**$515,290**	**$1,305,042**
Operating expenses (excluding depreciation and amortization)	**$307,394**	**$ 95,781**	**$ 93,583**	**$144,755**	**$ 641,513**
Total investment income	**$ 40,022**	**$ 6,739**	**$ 2,720**	**$ 33,871**	**$ 83,352**
Excluding Decommissioning Trust income[2]	**(23,826)**	**(2,715)**	**—**	**(181)**	**(26,722)**
Including subsidy received on Build America Bonds	**—**	**—**	**—**	**54,741**	**54,741**
Total other income	**$ 16,196**	**$ 4,024**	**$ 2,720**	**$ 88,431**	**$ 111,371**
Available amounts to pay debt service	**$241,333**	**$ 56,005**	**$ 18,596**	**$458,966**	**$ 774,900**
Amounts released from DSRA[3]	**601**	**307**	**5,983**	**—**	**6,891**
Amounts drawn for capitalized interest[4]	**5,030**	**762**	**—**	**117,130**	**122,922**
Total amounts available to pay debt service	**$246,964**	**$ 57,074**	**$ 24,579**	**$576,096**	**$ 904,713**
Total Senior Debt Service[5]	**$ 55,326**	**$ 9,922**	**$ 22,994**	**$423,674**	**$ 511,916**
Senior Debt Service Coverage	**4.46**	**5.75**	**1.07**	**1.36**	**1.77**
Total Subordinated Debt Service[5]	**$ 94,515**	**$ 22,438**	**$ —**	**$ —**	**$ 116,953**
Total Debt Service[5]	**$149,841**	**$ 32,360**	**$ 22,994**	**$423,674**	**$ 628,869**
Debt Service Coverage on Total Debt Service	**1.65**	**1.76**	**1.07**	**1.36**	**1.44**

(1) Deferred inflows of resources represent, among other things, Timing Differences (see Note 2 (D)).
(2) Income on funds reserved for the decommissioning of nuclear generating units at retirement.
(3) Planned fund releases from reserves for debt service.
(4) Amounts on hand to fund interest expense during construction of facilities.
(5) Total Senior and Subordinated debt service reflects principal and interest accrued during the reporting year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

2023	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Total
Total revenues	$380,150	$133,395	$101,451	$262,628	$877,624
Deferred inflows of resources[(1)]	87,958	836	16,989	—	105,783
Adjusted revenues	$468,108	$134,231	$118,440	$262,628	$983,407
Operating expenses (excluding depreciation and amortization)	$284,449	$ 94,838	$ 94,821	$ 38,154	$512,262
Total investment income	$ 9,071	$ 3,092	$ 2,233	$ 35,124	$ 49,520
Excluding Decommissioning Trust income[(2)]	1,431	233	—	—	1,664
Including subsidy received on Build America Bonds	—	—	—	55,423	55,423
Total other income	$ 10,502	$ 3,325	$ 2,233	$ 90,547	$106,607
Available amounts to pay debt service	$194,161	$ 42,718	$ 25,852	$315,021	$577,752
Amounts released from DSRA[(3)]	319	131	—	—	450
Amounts drawn for capitalized interest[(4)]	4,154	649	—	209,354	214,157
Total amounts available to pay debt service	$198,634	$ 43,498	$ 25,852	$524,375	$792,359
Total Senior Debt Service[(5)]	$ 54,673	$ 11,575	$ 23,339	$386,736	$476,323
Senior Debt Service Coverage	3.63	3.76	1.11	1.36	1.66
Total Subordinated Debt Service[(5)]	$114,573	$ 21,367	$ —	$ —	$135,940
Total Debt Service[(5)]	$169,246	$ 32,942	$ 23,339	$386,736	$612,263
Debt Service Coverage on Total Debt Service	1.17	1.32	1.11	1.36	1.29

(1) Deferred inflows of resources represent, among other things, Timing Differences (see Note 2 (D)).
(2) Income on funds reserved for the decommissioning of nuclear generating units at retirement.
(3) Planned fund releases from reserves for debt service.
(4) Amounts on hand to fund interest expense during construction of facilities.
(5) Total Senior and Subordinated debt service reflects principal and interest accrued during the reporting year.

6. RETIREMENT PLAN AND OTHER POSTEMPLOYMENT BENEFITS

Retirement Plan Description

MEAG Power is the sponsor and administrator of a single-employer, non-contributory retirement plan that provides a defined benefit to employees hired before 2014 based on years of service and average earnings. The Municipal Electric Authority of Georgia Retirement Plan (the Retirement Plan) was established by the Board, and Board action is required to terminate the Retirement Plan or for material changes made to Retirement Plan benefits. The Retirement Plan is funded through a tax-exempt trust fund qualified under sections of the Internal Revenue Code. An independent actuarial firm is used to calculate MEAG Power's contribution to the Retirement Plan, which is based on actuarial valuations as of January 1 of each year, approved by the Board and included as part of the annual system budget. The Retirement Plan is not required to issue a separate financial report.

Benefits Provided

Prior to January 1, 2014, employees who attained age 25 with at least one year of service were eligible to participate in the Retirement Plan (Plan participant), as were former employees rehired prior to that date, under certain vesting guidelines of the Retirement Plan. The Retirement Plan is closed to new entrants. As discussed in the "Other Retirement Benefits" section of this Note, employees hired after December 31, 2013 are eligible to receive a non-matching contribution to MEAG Power's 403(b) defined contribution plan (403(b) Plan).

A Plan participant who retires on such participant's normal retirement date (considered to be age 62) will receive a monthly benefit (Accrued Benefit), based on the applicable vesting percentage, equal to 2.4% of final average earnings (FAE) multiplied by years of benefit service (Benefit Service) (up to a maximum of 25 years), if employed as of February 1, 1991, or 2.0% of FAE multiplied by Benefit Service (up to a maximum of 30 years), if employed after that date. The Accrued Benefit of a Plan participant who retires prior to such participant's normal retirement date is reduced by 6.0% for each year the early retirement date precedes age 62. FAE is calculated using different methods to determine the highest average earnings, generally based on the average of the 60 consecutive or non-consecutive (depending on employment date) calendar months during the Plan participant's final 120 consecutive calendar months of employment (or fewer number of actual months). Vesting percentage increases up to 100% at five years of service. A Plan participant who retires or terminates service after age 55 is 100% vested regardless of years of service.

Employees Covered by Benefit Terms

The number of Plan participants covered by Retirement Plan benefits at December 31, 2024 and 2023 were:

Plan participants	**2024**	2023
Active	**54**	57
Inactive, vested	**69**	72
Retirees and beneficiaries	**160**	154
Total	**283**	283

Contributions

The actuarially determined contribution to the Retirement Plan by MEAG Power is pursuant to the Official Code of Georgia Annotated, section 47-20-10 (OCGA 47-20-10). Historically, MEAG Power's contribution has been well in excess of the minimum required contribution under OCGA 47-20-10. For the years ended December 31, 2024 and 2023, MEAG Power contributed 8.7% and 8.5%, respectively, of covered payroll. No contributions by Plan participants are required.

Net Pension Liability

MEAG Power's net pension liability was measured as of December 31, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by the entry age normal valuation method as of that date. The following schedule presents the change in net pension liability for the years ended December 31, 2024 and 2023 (in thousands):

	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2023	**$72,614**	**$74,894**	**$(2,280)**
Changes for the year:			
Service cost	**530**	**—**	**530**
Interest on the total pension liability	**5,300**	**—**	**5,300**
Difference between expected and actual experience	**684**	**—**	**684**
Assumption changes	**—**	**—**	**—**
MEAG Power contributions	**—**	**775**	**(775)**
Net investment income	**—**	**8,044**	**(8,044)**
Benefit payments	**(3,960)**	**(3,960)**	**—**
Administrative expenses	**—**	**—**	**—**
Net change	**2,554**	**4,859**	**(2,305)**
Balance at December 31, 2024	**$75,168**	**$79,753**	**$(4,585)**

	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2022	$ 70,427	$ 67,957	$ 2,470
Changes for the year:			
Service cost	576	—	576
Interest on the total pension liability	5,141	—	5,141
Difference between expected and actual experience	300	—	300
Assumption changes	—	—	—
MEAG Power contributions	—	775	(775)
Net investment income	—	9,992	(9,992)
Benefit payments	(3,830)	(3,830)	—
Administrative expenses	—	—	—
Net change	2,187	6,937	(4,750)
Balance at December 31, 2023	$ 72,614	$ 74,894	$ (2,280)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Actuarial Assumptions and Methods

The assumptions used to measure the total pension liability as of December 31, 2024 include a 7.5% investment rate of return, a long-term expected inflation rate of 2.5% per year and salary increases of 4.0% per year. The mortality table utilized is the PUB-2010 General Mortality, male and female, projected generationally using the MP-2021 improvement scale.

The long-term expected rates of return on Retirement Plan investments, valued as of December 31, 2024 were determined using geometric mean methodology, including measures of standard deviation and correlation, in which best-estimate ranges of expected future rates of returns were derived for each investment asset class. Analysis included information on past, current and future capital market performance, key economic indicators and inflation expectations. A 10-year period was chosen for analysis to capture a full market cycle. These best estimate ranges, net of assumed long-term inflation and investment expenses, are combined to produce the long-term expected rate of return. Factors likely to produce additional higher returns for Retirement Plan assets such as active portfolio management (35% of assets), a longer-term investment cycle (30 years), flexibility in the annual budgeting of voluntary contributions and possible changes in asset allocation are considered in the overall management of the Retirement Plan, but were not included in the expected rates of return methodology. The target allocation for each major asset class is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic Large-Cap Equity	30%	7.35%
Domestic Mid-Cap/ Small-Cap Equity	15%	7.35%
International Equity	15%	7.45%
Domestic Fixed Income	40%	4.75%
Total	100%	

* 10-year horizon, passively managed

Retirement Plan's Assets

The fair value of the Retirement Plan's assets, based on quoted market prices, with substantially all of these assets being measured at Level 1 within the fair value hierarchy, as per Statement 72 guidelines (see Note 2, section (L), "Fair Value Measurements"), as of the measurement dates of December 31, 2024 and 2023, were as follows (in thousands):

	2024	2023
Mutual Funds:		
U.S. Equity Index Fund	**$23,937**	$21,034
Mid-Cap Index Fund	**8,059**	8,692
Small-Cap Index Fund	**4,033**	3,756
Diversified International Fund	**11,583**	11,790
Aggregate Bond Fund	**23,893**	21,468
Total Bond Fund	**8,244**	8,145
Institutional Government Portfolio	**4**	3
Cash	**—**	6
Total	**$79,753**	$74,894

Discount Rate

The discount rate used to measure the total pension liability as of December 31, 2024 and 2023 was 7.5%. The projection of cash flows used to determine the discount rate assumed that future employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the Retirement Plan's fiduciary net position was projected to be available to make all projected future benefit payments of Plan participants. Therefore, the long-term expected rate of return on Retirement Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability, calculated using the discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate (dollars in thousands):

Net Pension Liability	1% Lower 6.5%	Current Discount Rate 7.5%	1% Higher 8.5%
December 31, 2024	**$ 3,132**	**$(4,585)**	**$(11,172)**
December 31, 2023	$ 5,325	$(2,280)	$ (8,757)

Retirement Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Retirement Plan and additions to/ deductions from the Retirement Plan's fiduciary net position have been determined on the same basis as they are reported by the Retirement Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

The accounting for pension activity under GASB Statement No. 68, "Accounting and Financial Reporting for Pensions — an amendment of GASB Statement No. 27" (Statement 68) results in deferred outflows (delayed recognition of unfavorable investment income changes or unfavorable actuarial changes) and deferred inflows (delayed recognition of favorable investment income changes or favorable actuarial changes). All deferred investment income changes (whether favorable or unfavorable) are combined for a net balance sheet presentation. These changes will be amortized into net pension expense over five years for investment-related deferrals, and approximately two years for actuarially determined deferrals beginning in the year that the inflow or outflow is initially recognized.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Retirement Plan

For the years ended December 31, 2024 and 2023, MEAG Power recognized pension expense of $1.8 million and $0.8 million, respectively. At December 31, 2024 and 2023, the Retirement Plan reported deferred outflows of resources and deferred inflows of resources from the following sources (in thousands):

Deferred Outflows (Inflows) of Resources	2024	2023
Differences between expected and actual experience	**$ 52**	$ 55
Assumption changes	**—**	—
Net difference between projected and actual earnings on Retirement Plan investments	**2,364**	5,698
Total	**$2,416**	$5,753

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Retirement Plan will be recognized in pension expense in future years as follows (in thousands):

Year	Deferred Outflows (Inflows) of Resources
2025	**$ 1,809**
2026	**2,639**
2027	**(1,519)**
2028	**(513)**
2029	**—**
Total	**$ 2,416**

Other Retirement Benefits

MEAG Power also offers a 403(b) Plan to all employees and matches regular employee contributions at the rate of 100% of the first 5% of compensation contributed by the employee, as well as 50% of certain additional contributions. Total matching contributions made by MEAG Power to the 403(b) Plan were $1.3 million for both years ended December 31, 2024 and 2023. Employees hired after December 31, 2013 are eligible to receive a non-matching contribution equal to a specified percentage of the employees' compensation based on years of service.

MEAG Power also offers a 457(b) Plan to all employees to provide an opportunity to increase their savings for retirement on a before-tax or Roth after-tax basis. The 457(b) Plan does not provide for employer matching contributions and is not subject to the Internal Revenue Code section 415 annual limitations that apply to the 403(b) Plan.

Other Postemployment Benefits

Information regarding MEAG Power's other postemployment benefit (OPEB) plan is as follows:

Plan Description

The MEAG Power Retiree Medical Premium Reimbursement Plan (the Plan) is administered by MEAG Power's Retirement Investment Committee and is a single employer defined benefit retirement health benefits plan. The Board has sole authority to amend the Plan. The Plan operates on a pay-as-you-go basis and has no trust for accumulating assets.

Plan Benefits

The Plan reimburses each eligible retiree and/spouse or surviving spouse for eligible medical premium expenses subject to certain criteria and maximum amounts. An eligible retiree is a former employee who retired after attaining age 55 and completing at least 10 years of service, and who retired on or after January 1, 1997.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Employees Covered by the Plan

At December 31, 2024 and 2023, the following participants were covered by the Plan benefits:

	2024	2023
Active employees	**135**	133
Retired employees or beneficiaries	**79**	76
Total	**214**	209

Actuarial Assumptions

Actuarial assumptions used to determine MEAG Power's OPEB liability, measured as of December 31, 2024 and 2023, were as follows:

Salary Increases	4.00%
Discount Rate	4.16% for December 31, 2024 actuarial valuation
Healthcare cost	Not applicable for eligible retirees, as the benefit payable is a fixed amount that does not vary with healthcare cost trends.
Mortality	PUBH-2010 General Employees and Healthy Retiree Mortality table, male and female, projected generationally using the MP-2021 improvement scale.

Changes in the OPEB Liability

MEAG Power's total OPEB liability as of December 31, 2024 and 2023 was as follows (in thousands):

	2024	2023
Beginning total OPEB Liability	**$8,897**	$9,556
Changes for the year:		
Service cost	**246**	259
Interest	**329**	348
Change of benefit terms	**—**	—
Differences between expected and actual experience	**(65)**	(805)
Benefits payments	**(337)**	(409)
Changes of assumptions or other inputs	**(393)**	(52)
Net changes	**(220)**	(659)
Ending total OPEB liability	**$8,677**	$8,897

Changes of assumptions or other inputs reflect an increase in the discount rate from 3.77% to 4.16%.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

MEAG Power's OPEB expense was $(0.4) million and $0.1 million for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources were as follows (in thousands):

Deferred Outflows (Inflows) of Resources	2024	2023
Differences between expected and actual experience	**$(1,110)**	$(1,577)
Changes of assumptions or other inputs	**(1,102)**	(1,157)
Total	**$(2,212)**	$(2,734)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows (in thousands):

Year	Deferred Outflows (Inflows) of Resources
2025	$(1,055)
2026	(863)
2027	(232)
2028	(62)
2029	—
Total	$(2,212)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate or Healthcare Cost Trend Rate

The following presents the effect of a 1% increase or decrease of the discount rate and the healthcare cost trend rate, respectively, on MEAG Power's OPEB liability as of December 31, 2024 and 2023 (dollars in thousands):

Discount Rate Sensitivity

	December 31, 2024		
	1% Decrease 3.16%	Current Discount Rate 4.16%	1% Increase 5.16%
Total OPEB Liability	**$9,743**	**$8,677**	**$7,787**

	December 31, 2023		
	1% Decrease 2.77%	Current Discount Rate 3.77%	1% Increase 4.77%
Total OPEB Liability	$10,034	$8,897	$7,952

Healthcare Cost Trend Rate Sensitivity

	December 31, 2024		
	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	**$8,677**	**$8,677**	**$8,677**

	December 31, 2023		
	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	$8,897	$8,897	$8,897

7. COMMITMENTS AND CONTINGENCIES

Nuclear Insurance

Under the Price-Anderson Amendments Act (the Amendments Act), MEAG Power is afforded certain indemnities, and has certain obligations, as an owner of nuclear generating units. The Amendments Act provisions, together with private insurance, cover third-party liability arising from any nuclear incident occurring at the nuclear generating units in which MEAG Power has an ownership interest. The Amendments Act provides for the payment of funds up to a maximum of $16.3 billion for public liability claims that could arise from a single nuclear incident. Each nuclear generating unit is insured against this liability to a maximum of $500 million by American Nuclear Insurers (ANI). The remaining coverage is provided by a mandatory program of deferred premiums that could be assessed, after a nuclear incident, against all owners of nuclear reactors. The owners of a nuclear generating unit could be assessed up to $166 million per incident for each licensed reactor they operate, but not more than an aggregate of $24.7 million per reactor, per incident, to be paid in a calendar year. MEAG Power's share of the potential ANI deferred premiums could be up to $205.6 million, with an annual limit of $30.6 million. Both the maximum assessment per reactor and the maximum yearly assessment are adjusted for inflation at least every five years. The next scheduled adjustment is due by November 2028.

GPC, on behalf of the Joint-Owners of the nuclear units, is a member of Nuclear Electric Insurance Limited (NEIL), a mutual insurer established to provide property damage insurance for members' nuclear generating facilities. NEIL provides three types of property coverage for the Joint- Owners through GPC, primary property insurance, excess property insurance and excess non-nuclear property insurance. The primary property insurance provides coverage limits of $1.5 billion per generating unit. The excess property insurance provides coverage limits up to $1.25 billion per generating unit above the primary property coverage levels. These policies have a combined sublimit of $1.5 billion for non-nuclear losses. The excess non-nuclear property insurance provides additional coverage limits of $750 million per generating unit above the primary policy.

MEAG Power is also a member of NEIL in its capacity to provide insurance to cover members' costs of replacement power and other costs that might be incurred during a prolonged accidental outage of the nuclear units. The coverage begins after the outage has exceeded 12 weeks, with a maximum per occurrence, per unit limit of $490 million. MEAG Power's share of the policy limit is $88.7 million per unit for Hatch Units 1&2, as well as $107.4 million per unit for all four Vogtle units. For non-nuclear losses, the policy limit of liability is $291.2 million per generating unit. MEAG Power's share of the non-nuclear policy limit is $52.7 million per unit for Hatch Units 1&2, as well as $63.8 million per unit for all four Vogtle units. These policies, similar to the other NEIL policies, contain provisions for a retrospective premium adjustment for a member of up to 10 times its annual premium, as discussed below. Under each of the NEIL policies, members are subject to assessments if losses each year exceed the accumulated funds available to the insurer under that policy.

MEAG Power's share of retrospective premium assessments, based on policies effective April 1, 2024, could be as much as $24.2 million for primary, excess property insurance and excess non-nuclear property, and $10.1 million for replacement power and other costs. All retrospective assessments, whether generated for liability, property or replacement power may be subject to applicable state premium taxes.

Claims resulting from terrorist acts and cyber events against commercial nuclear generating units are covered under both the ANI and NEIL policies, subject to normal policy limits. The Terrorism Risk Insurance Program Reauthorization Act of 2019 extended coverage of domestic acts of terrorism until December 31, 2027. The aggregate, however, that NEIL will pay for all claims resulting from terrorist acts and cyber events in any 12-month period is $3.2 billion plus such additional amounts NEIL can recover through reinsurance, indemnity or other sources.

In accordance with NRC regulations related to on-site property damage insurance policies for commercial nuclear generating units, the proceeds of such policies pertaining to MEAG Power shall be dedicated first for the sole purpose of placing the reactor in a safe and stable condition after an accident. Any remaining proceeds are next to be applied toward the costs of decontamination or debris removal operations ordered by the NRC; then, any further remaining proceeds are to be paid to

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

either the owners of the facility or their bond trustees as may be appropriate under applicable trust indentures. In the event of a loss, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses would be borne by MEAG Power and could have a material adverse effect on MEAG Power's financial condition and results of operations.

Fuel

Project One and the General Resolution Projects, through GPC, are obligated by various long-term commitments for the procurement of fossil and nuclear fuel to supply a portion of the fuel requirements of their generating units. Coal and/or related transportation commitments for the period 2025 through 2027 total $22.7 million. For the years beginning 2025 through 2029, nuclear fuel commitments total $206.2 million. Commitments for nuclear fuel are calculated based on MEAG Power's ownership percentage of jointly owned generation facilities per operating agreements with GPC, as discussed in Note 2 (G) "— Jointly Owned Generation Facilities." MEAG Power understands that Southern Nuclear has sufficient inventory on hand and access to fuel procurement to operate the nuclear units for the foreseeable future.

With respect to its long-term coal commitments, MEAG Power manages its own coal stockpile inventory, including selection of fuel sources, contract arrangements and coal inventory levels.

GPC, as the coal agent for MEAG Power, has contracted with Southern Company Fuel Services to act as its coal procurement agent, and it is responsible for issuance of requests for proposals for coal supply, contract negotiations and scheduling coal delivery. Also discussed within that Note is information regarding sales by MEAG Power to GPC of a portion of the output of Vogtle Units 1&2, which have the effect of reducing MEAG Power's gross commitments for nuclear fuel. Railcar lease commitments through 2024 are immaterial. In general, most, if not all, of the contracted material and services reflected in these estimates could be sold on the market, thereby reducing MEAG Power's liability.

MEAG Power has entered into five long-term natural gas purchase agreements with the Municipal Gas Authority of Georgia (MGAG) (see table below for details) for gas sourced through five prepaid gas supply agreements. Such purchases are structured to match the usage in the peak operating months and are expected to equal an approximate percentage of MEAG Power's natural gas requirements for its native load. The price paid by MEAG Power is based on a discount from a natural gas index, which has been set for the initial pricing period. MEAG Power has the right to opt out of the contracts if the minimum discounts for the remainder of the term are not met for the gas supply after the initial pricing period. Additionally, there are provisions for permanent load losses or the cessation of natural gas-fired generation.

Long-Term Gas Purchase Agreements

Entered Date	Begin Date	End Date	Take and Pay /MMBtus per day*	Natural Gas Native Load Requirement (%)	Remainder of the Initial Pricing Period	Gas Commitments
February 1, 2022	July 1, 2022	June 30, 2052	2,490	4%	January 1, 2025–October 31, 2027	$8.4 million
March 17, 2022	August 1, 2022	July 31, 2052	3,898	6%	January 1, 2025–November 30, 2029	$23.9 million
January 23, 2024	April 1, 2024	June 30, 2053	10,014	14%	January 1, 2025–August 31, 2031	$75.2 million
March 26, 2024	November 1, 2024	June 30, 2053	4,995	7%	January 1, 2025–February 29, 2032	$40.7 million
June 25, 2024	November 1, 2024	June 30, 2053	9,003	13%	January 1, 2025–November 30, 2031	$70.6 million

* On an average annual basis

Through participation in the Momentum Expansion Phase II, previously known as the "Cornerstone Expansion," of the Transco natural gas pipeline system (Transco), MEAG Power secured firm natural gas transportation capacity sufficient to deliver 65% of the natural gas required to operate the CC Project at projected peak period capacity factors. The primary term of the Transco agreement ended January 31, 2019. The contract continues on an evergreen basis, and MEAG Power has certain retention rights that ensure continued service. For the remainder of the facility's natural gas transportation requirements, MEAG Power uses a combination of daily and short-term capacity purchases. The natural gas pipeline commitment totaled $2.7 million through December 31, 2024.

Long-Term Purchases and Sales of Power

During 2017, MEAG Power entered into five-year purchase power agreements with the Alabama cities of Hartford and Evergreen to provide full requirements service, effective January 1, 2018 through December 31, 2022. These agreements provided 11.0 MW and 11.5 MW, respectively, of system capacity and associated energy to meet their needs net of their resources from SEPA and included provisions for MEAG Power to sell additional capacity. The Hartford and Evergreen sales were served from the resources of 16 and 15 subscribed Participants, respectively. These agreements were extended through and ended on December 31, 2023, and were updated to provide 10.0 MW to Hartford and 15.0 MW to Evergreen. During 2023, the Hartford and Evergreen sales were served from the resources of three Participants.

MEAG Power entered into an eight-year purchase power agreement with the City of Robertsdale, Alabama (Robertsdale), during 2016 to provide full requirements service to Robertsdale, effective January 1, 2018 through December 31, 2025. The agreement provides 25 MW of system capacity and energy to meet Robertsdale's needs net of its resources from SEPA and includes provisions for MEAG Power to sell additional capacity. This sale is served from the resources of nine subscribed Participants.

MEAG Power has a 20-year power purchase agreement for the output and services of a combustion turbine nominally rated from 149 MW to 165 MW, depending on the season. The effective date of the power purchase agreement was May 1, 2009. Twenty Participants have subscribed to this resource.

MEAG Power entered into a power sale agreement for 50 MW of system-firm capacity and an associated energy call option effective December 1, 2020. The sale included all hours during the months of December, January and February during the contract term of December 1, 2020 through February 28, 2023.

For 2023, MEAG Power entered into one-year power purchase agreements for 27 MW of firm capacity subscribed to by four Participants, and 10 MW of firm energy subscribed to by one Participant.

During 2024, MEAG Power entered into power purchase agreements, for firm capacity of 159 MW of supplemental power benefiting 19 Participants, for the period June through September 2024.

Environmental Regulations

MEAG Power and the other Joint-Owners are subject to extensive federal, state and local environmental requirements which regulate, among other things, air pollutant emissions, wastewater discharges and the management of hazardous and solid wastes. Compliance with these requirements requires significant expenditures for the installation, maintenance and operation of pollution control equipment, monitoring systems and other equipment or facilities.

The Environmental Protection Agency (EPA) and the Georgia Environmental Protection Division (EPD) of the Department of Natural Resources have primary responsibility for developing and enforcing the requirements where directed or authorized by statutes such as the Federal Clean Air Act (CAA), Federal Clean Water Act (CWA), Federal Resource Conservation and Recovery Act, Georgia Air Quality Act, Georgia Water Quality Control Act and Georgia Comprehensive Solid Waste Management Act.

Potential future legislation or regulations, including those relating to greenhouse gas (GHG) emissions, including carbon dioxide (CO2), or renewable or clean energy may create new requirements and operational hurdles. More stringent or new standards may require MEAG Power and the other Joint-Owners to modify the design or operation of existing facilities and could result in significant increases in the cost of electricity or decreases in the amount of energy (due to operational constraints) provided to the Participants.

Litigation relating to environmental issues, including claims of property damage, personal injury or common law nuisance caused by plant emissions, including GHG, wastewater discharges or solid waste disposal, including coal combustion residuals (CCR), is generally increasing throughout the United States. Likewise, actions by private citizen groups to enforce environmental laws and regulations are also becoming increasingly prevalent.

While MEAG Power will continue to exercise its best efforts to comply with all applicable regulations, there can be no assurance that MEAG Power will always be in compliance with all current and future environmental requirements. Failure to comply with existing and future requirements, even if this failure is caused by factors beyond MEAG Power's control, could result in civil and criminal penalties and could cause the complete shutdown of individual generating units not in compliance with these regulations. Any additional federal or state environmental restrictions imposed on MEAG Power's operations could result in significant additional compliance costs, including capital expenditures. Such costs could affect future unit retirement and replacement decisions and may result in significant increases in the cost of electric service. The cost impact of future legislation, regulation, judicial interpretations of existing laws or regulations, or international obligations will depend upon the specific requirements thereof and cannot be determined at this time.

On March 12, 2025, the EPA unveiled a sweeping set of actions tied to the energy sector and public power specifically. EPA would begin a rollback of environmental regulations, including air, water and waste rules that affect the power sector. This includes numerous regulations that impact MEAG Power's fossil fuel generating assets, as discussed within the applicable sections of this Note.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Revising or eliminating the rules will require rulemaking processes that may take several years to complete. Also, litigation could add at least a year to the process of revising the regulations. These deregulation actions could potentially reduce the compliance costs for MEAG Power; however, the ultimate outcome of this effort cannot be determined at this time.

MEAG Power has invested $682.4 million from 2000 through 2024 in environmental enhancements, for Scherer Units 1&2 and Plant Wansley (prior to decertification and retirement of the Wansley units in 2022),including a switch to lower-sulfur coal at Scherer Units 1&2, and installing control technologies to reduce emissions of mercury, sulfur dioxide, nitrogen oxides, non-mercury metals and acid gases at Scherer 1&2 and at Plant Wansley and installing systems to dispose of ash and treat coal pile run-off water in compliance with the CCR rule at Scherer Units 1&2 and at Plant Wansley. MEAG Power anticipates total capital investment for environmental improvements at Scherer Units 1&2 for the years 2025 through 2029, including additions to comply with CCR and effluent limitations guidelines (ELG) regulations (see the "Coal Combustion Residuals" and "Effluent Limitations Guidelines Regulations" sections within this Note), will be approximately $61.2 million.

Greenhouse Gas Regulation

On May 11, 2023, EPA issued proposed rules to limit CO2 emissions from the new, existing, modified and reconstructed power plants. The proposed rules would regulate new gas-fired combustion turbines, existing coal plants and certain large, base-loaded existing gas plants. EPA proposed to update and establish more stringent new source performance standards (NSPS) for GHG emissions from new and reconstructed fossil fuel-fired stationary combustion turbine electric generating units (EGUs) that are based on highly efficient generation, hydrogen co-firing, or carbon capture and sequestration (CCS). EPA finalized the rules on April 25, 2024, including: the repeal of the Affordable Clean Energy rule; GHG emission guidelines for existing fossil fuel-fired steam generating units; NSPS for GHG emissions from new and reconstructed fossil fuel-fired combustion turbines; and revisions to the standards of performance for new, modified, and reconstructed fossil fuel-fired steam generating units.

Existing coal-fired generating units with plans to retire by 2032 and have a federally enforceable commitment to retire are exempt from any compliance obligation, other than to follow through on their retirement commitment. For coal units with plans to operate past 2032 that will retire before January 1, 2039, the best system of emission reduction (BSER) system is based on 40% co-firing with natural gas, with a compliance deadline of January 1, 2030. For coal units with plans to continue to operate past January 1, 2039, the BSER is CCS operating at a 90% removal rate with a compliance deadline of January 1, 2032. New and reconstructed natural gas-fired combustion turbines operating below a capacity factor of 20% annually will be subject to a performance standard based on the use of "lower emitting fuels" (e.g., natural gas and/or distillate oil); those operating between 20% and 40% capacity factor will be subject to a performance standard of no more than 1,170 lbs. CO2/megawatt-hour (MWh); and units operating over 40% capacity factor will be subject to a limit of 800 lbs. CO2/MWh (for large units) and up to 900 lbs. CO2/MWh (for small units) along with a CCS standard of 90% by January 1, 2032, with an associated emission limitation of 100 lbs. CO2/MWh.

Given the significant costs and challenges of compliance with this rule, including the inadequate demonstration of CCS technology and the lack of demonstrated, available carbon storage capability, the rule is forecasted to drive an industry-wide shift away from coal-fired generation. Several legal challenges have been filed against the rule and are currently pending. The U.S. Supreme Court (Supreme Court) denied a request to stay the rule pending appeal and sent the case back to the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit). Oral arguments on the merits were heard by the D.C. Circuit on December 6, 2024. On February 19, 2025, the D.C. Circuit granted a request by EPA to hold the litigation in abeyance to allow the new EPA leadership under the Trump Administration to review the rule. On March 12, 2025, EPA announced that it would reconsider the previous Administration's regulations on power plants.

Relatedly, on March 12, 2025, EPA announced that it would reconsider the EPA's 2019 "Endangerment Finding" whereby EPA determined that greenhouse gases threaten public health and welfare. The Endangerment Finding provides the basis for regulating GHGs under the CAA, so rescinding the finding could potentially invalidate the rule.

National Ambient Air Quality Standards and Regional Haze Regulations

In 2015, EPA lowered the level of the secondary eight-hour ozone National Ambient Air Quality Standards (NAAQS) from 0.075 parts per million (ppm) to a more protective level of 0.070 ppm. In 2022, EPA announced the approval of Georgia's request to have the Atlanta Nonattainment Area re-designated to attainment status for the 2015 ozone NAAQS. The Atlanta Nonattainment Area included the counties of Bartow, Clayton, Cobb, DeKalb, Fulton, Gwinnett and Henry.

In the CAA, Congress declared as a national goal the prevention of any future, and the remedying of any existing, impairment of visibility in mandatory Class I federal areas (e.g., national parks and wilderness areas) for which visibility impairment results from man-made air pollution. The CAA directs EPA to issue regulations to assure reasonable progress toward meeting the national goal. Current EPA regulations set 2064 as the target year to achieve natural visibility conditions via a uniform rate of progress over specific periods, and a State Implementation Plan (SIP) is required from states that contribute to visibility impairment.

In January 2017, EPA published in the Federal Register a final revised regulation, "Protection of Visibility: Amendments to Requirements for State Plans." The revised regulation deferred the due date for the next round of SIP submittals to EPA, from July 31, 2018 to July 31, 2021 (EPD submitted a SIP on August 11, 2022) and addresses issues such as wildfires, anthropogenic sources outside of the United States and prescribed fires. However, in 2018, EPA announced that it would revisit certain aspects of its 2017 regulation through a proposed rulemaking.

On November 21, 2024, EPA approved the SIP submitted by EPD, dated August 11, 2022, as satisfying applicable requirements under the CAA. MEAG Power does not expect that the SIP will have any significant financial or operational impacts to its generating units.

On March 12, 2025, EPA announced several proposed actions, including a "restructuring" of the Regional Haze Program. MEAG Power cannot predict how any "restructuring" of the program may impact its operations.

Startup, Shutdown and Malfunction Regulations

In 2015, EPA published a final rule/action in the Federal Register pertaining to Startup, Shutdown and Malfunction (SSM) regulations, "State Implementation Plans: Response to Petition for Rulemaking; Restatement and Update of EPA's SSM Policy Applicable to SIPs; Findings of Substantial Inadequacy; and SIP Calls To Amend Provisions Applying to Excess Emissions During Periods of Startup, Shutdown and Malfunction." In this rule/action, EPA issued a finding that certain SIP provisions in 36 states were substantially inadequate to meet CAA requirements due to regulatory waivers during periods of SSM and thus issued a SIP call for each of those 36 states. EPA also established a due date for states subject to the SIP call action to submit "corrective SIP" revisions. Georgia was named as one of the 36 states. Many states, including Georgia, and industry groups filed Petitions for Review with the D.C. Circuit. On March 1, 2024, the D.C. Circuit determined that EPA exceeded its authority in calling for a blanket removal of SSM exemptions from SIPs without showing the exemptions impede compliance with the CAA.

EPD had developed revised state SSM regulations that were adopted by the Georgia Board of Natural Resources in October 2016. EPD submitted a timely corrective SIP, including the revised regulations to EPA for approval in November 2016. On November 28, 2022, EPA published a proposed rulemaking to formally disapprove of Georgia's SSM SIP. The March 1, 2024, D.C. Circuit ruling largely vacated EPA's SIP call that required states to remove from their respective air quality plans regulatory waivers for excess air emissions during periods of SSM. EPD withdrew the corrective SIP on June 25, 2024, and the SSM provision in MEAG Power's permit remains valid. On December 19, 2024, EPA issued updated guidance with respect to how it will evaluate SIPs in light of the D.C. Circuit Ruling.

National Emissions Standards for Hazardous Air Pollutants

In 2012, EPA published a final regulation in the Federal Register, "National Emission Standards for Hazardous Air Pollutants From Coal and Oil-Fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units." The regulation set National Emissions Standards for Hazardous Air Pollutants for both new and existing coal- and oil-fired electric utility steam generating units. Scherer Units 1&2 are subject to the regulation, which set limits on emissions of mercury, non-mercury metals and acid gases, commonly referred to as MATS.

To comply with MATS, hydrated lime and powdered activated carbon injection systems have been added to Scherer Units 1&2. Scherer Units 1&2 are in compliance with the regulation.

On May 22, 2020, EPA finalized a finding that it is not appropriate and necessary to regulate hazardous air pollutant emissions from coal- and oil-fired power plants under CAA section 112, reversing a determination first made in 2000, and later affirmed in 2012 and 2016. On January 31, 2022, EPA issued a Notice of Proposed Rulemaking on the Mercury and Air Toxics Standards that reaffirms the finding that it is appropriate and necessary to regulate hazardous air pollutants from coal- and oil-fired power plants, and ensures the existing emissions standards for MATS remain in effect while EPA considers new rules. The proposed rule also solicited information on the cost and performance of new or improved technologies and methods of operation for controlling hazardous air pollutant emissions. On April 24, 2023, and as a result of its residual risk and technology review, EPA proposed a rule that revises the MATS for coal- and oil-fired steam EGUs. The rule would require all coal-fired EGUs, to achieve an emission standard for filterable particulate matter (fPM) of 0.010 lb/MMBtu (from the current 0.030 lb/MMBtu), and demonstrate compliance with the fPM standard by using continuous emissions monitoring systems (CEMS). Currently, Scherer Units 1&2 demonstrate compliance through quarterly testing and not a CEMS. On April 25, 2024, the final rule was issued as proposed. On October 4, 2024, the Supreme Court denied six requests to stay the implementation of the rule and ordered EPA to issue final findings. On December 15, 2024, the D.C. Circuit issued an order that left in place the MATS final rule while the agency works to issue final findings as ordered. On February 20, 2025, the D.C. Circuit granted a motion filed by EPA to hold the case in abeyance to allow the new EPA leadership under the second Trump Administration to review the underlying rule. Additionally, on March 12, 2025, EPA stated that it would reconsider the new MATS regulations. GPC has procured the continuous CEMS monitoring equipment for fPM and is undertaking a pilot study to investigate the best operating procedures for compliance. Should the rule go into effect, Scherer Units 1&2 are on target to meet the compliance date of July 2027.

Coal Combustion Residuals

In 2015, EPA promulgated a comprehensive set of requirements for the management of CCR in landfills and impoundments. CCR include a variety of waste streams, specifically fly ash, bottom ash (BA), boiler slag and flue gas desulfurization (FGD) materials generated from coal-fired electric utilities; these waste streams are commonly known as coal ash. The rule established corrective action, closure and post closure technical standards, and inspection, monitoring, recordkeeping and reporting requirements. In 2016, President Obama signed into law the "Water Infrastructure Improvements for the Nation Act," which included a provision on the regulation of CCR as a non-hazardous waste under the Resource Conservation and Recovery Act. This legislation authorized states to implement and enforce the requirements of the CCR regulation through state permitting programs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In 2016, EPD developed regulations to implement a state permitting program for CCR landfills and impoundments in Georgia. The revisions incorporated most requirements of EPA's CCR regulation by reference. The EPD revisions were adopted by the Georgia Board of Natural Resources in 2016. In 2020, EPA approved EPD's permitting program. Georgia's program will operate in lieu of the federal CCR program, with the exception of certain provisions for which the State did not seek approval. As a result, CCR facilities in Georgia will still be subject to federal requirements governing the criteria and timing for initiating closure of unlined impoundments and federal requirements to protect threatened and endangered species.

In 2020, EPA issued a final rule establishing deadlines by which unlined surface impoundments can no longer receive CCR waste and non-CCR waste-streams. This rule also clarified circumstances under which alternative liners may be used, when coal ash may be used in the closure of landfills and impoundments, and that post-closure groundwater monitoring is required if coal ash is removed from a landfill or impoundment. GPC stopped sending CCR to the ash ponds at Plant Scherer and Plant Wansley in 2019, and instead sends dry ash to lined landfills. New wastewater treatment systems that receive and manage the non-CCR waste streams at Plant Scherer and Plant Wansley were completed in 2020 and 2019, respectively. Consequently, these new deadlines did not impact MEAG Power's operations.

On May 18, 2023, the EPA issued a proposed rule expanding the federal CCR rule to include legacy CCR units. The proposed rule would establish two new classes of units not currently regulated under the federal CCR rule: (a) legacy CCR surface impoundments, which are surface impoundments that (i) contained both CCR and liquids on or after October 19, 2015, and (ii) are located at a power plant that ceased generating power prior to October 19, 2015, and (b) CCR management units, which are any area of land (i) on which any non-containerized accumulations of CCR are received, placed or otherwise managed, and (ii) which is not a CCR unit. The EPA proposed to subject both classes of legacy units to the requirements applicable to currently regulated units with a few exceptions and also proposes to mandate the requirement to initiate closure within 12 months of the effective date of the rule. The final rule was issued on April 25, 2024, with no changes from the proposed rule. The rule became effective on November 8, 2024. This expansion of the CCR rule has no effect on Plant Scherer or Plant Wansley.

GPC submitted a Notice of Intent to Initiate Closure of CCR Unit AP-1 at Plant Scherer on October 30, 2020. The amended closure plan, dated the same day, contemplates consolidating CCR from the prior 550-acre unit to a smaller, approximately 300-acre area. At present, all closure activities are estimated to be complete in 2033 with a 30-year post closure care period to follow.

GPC submitted a Notice of Intent to Initiate Closure of CCR Unit AP-1 at Plant Wansley on April 17, 2019, and submitted a permit application for closure by removal on April 17, 2023.

The latest semi-annual Groundwater reports were submitted to EPD on January 31, 2025, and were posted on the internet site. GPC continues to monitor all parameters and take corrective action as required.

On March 12, 2025, EPA announced several proposed actions, including updates to the CCR rules. MEAG Power cannot predict how any "restructuring" of the program may impact its operations.

Effluent Limitations Guidelines Regulations

In 2020, EPA published its final rule revising the ELG regulation (ELG rule). The ELG rule establishes effluent limitations based on Best Available Technology Economically Achievable (BAT) for steam EGUs. For the discharge of FGD wastewater, EPA established numeric effluent limitations for mercury, arsenic, selenium and nitrate/nitrite as nitrogen. For the discharge of BA transport water, the ELG rule requires high recycle rate systems and allows for site-specific discharge that cannot exceed 10% of the BA transport water system volume.

The ELG rule includes subcategories for high flow units, low utilization boilers and boilers that will cease coal combustion by 2028. The ELG rule provides effluent limitation requirements for units in these subcategories. For high flow facilities and low utilization boilers, the ELG rule establishes numeric effluent limitations on mercury and arsenic for FGD wastewater discharges. For low utilization boilers, the ELG rule establishes numeric limitations for total suspended solids (TSS) and requires implementation of a best management practices plan for BA transport water. For boilers ceasing combustion of coal by 2028, the ELG rule establishes numeric limitations for TSS in FGD wastewater and BA transport water.

Under the ELG Rule, a particular power plant's compliance deadline for effluent limitation based on BAT is established during the National Pollutant Discharge Elimination System permitting process by its permitting authority. The earliest date that a plant must comply with the new effluent limitations is one year from the date that the ELG Rule was published in the Federal Register. The latest date that a plant must comply with the new effluent limitations is December 31, 2025 for FGD wastewater and BA transport water.

The ELG rule also includes a Voluntary Incentives Program (VIP) that provides a compliance date of December 31, 2028 for plants adopting additional process changes and controls that achieve more stringent limitations on mercury, arsenic, selenium, nitrate/nitrite, bromide and total dissolved solids in FGD wastewater. The ELG rule required submission of a notice of planned participation (NOPP) by October 13, 2021, if a steam EGU falls within one of the aforementioned subcategories or chooses the VIP option. GPC submitted a NOPP to EPD on October 13, 2021, electing the VIP option for Scherer Units 1&2 and reserving its ability to submit a later determination of a new compliance pathway as allowed by the ELG rule if circumstances change. GPC also submitted a NOPP to EPD on October 13, 2021, electing compliance by cessation of combustion by 2028 for Wansley Units 1&2. On January 31, 2021, GPC filed its Integrated Resource Plan with the Georgia Public Service Commission (GPSC), requesting the retirement and decertification of Plant Wansley by August 31, 2022, stating that such retirement is in the public interest. As discussed in Note 2 (G) "— Coal Generating Facilities," retirement and decertification of Plant Wansley occurred on August 31, 2022.

The ELG rule was immediately challenged in the D.C. Circuit and then transferred to the U.S. Court of Appeals for the Fourth Circuit (Fourth Circuit Appeals Court) for consolidation with other cases. On July 26, 2021, EPA announced initiation of a rulemaking process to determine whether the ELG rule should be revised to include more stringent limitations and standards, and, in coordination with the U.S. Department of Justice, filed a request to the Fourth Circuit Appeals Court to hold the litigation in abeyance.

On March 29, 2023, EPA issued the proposed ELG rule that proposes zero-discharge effluent limitations for all pollutants in FGD wastewater and BA transport water. It also proposes numeric discharge limitations for mercury and arsenic in combustion residual leachate (CRL) and establishes new definitions for various legacy wastewaters, which affects when more stringent requirements will apply to such wastewaters. Further, the EPA's proposed rule includes flexible paths for certain types of power plants to come into compliance with the proposed ELGs. The final rule was issued on April 25, 2024. It maintains the 2020 rule's permanent cessation of coal subcategory (2028 cessation subcategory) and the 2020 rule's VIP and adds a new cessation subcategory (2034 cessation subcategory). The final rule sets BAT as zero liquid discharge for FGD wastewater, BA transport water and CRL.

The Joint-Owners are finalizing plans for the development of environmental control systems required to comply with the ELG rule for Scherer Units 1&2.

On March 12, 2025, EPA announced several proposed actions, including reconsideration of the ELG guidelines. MEAG Power cannot predict how any "restructuring" of the program may impact its operations.

Waters of the United States Regulation

On May 25, 2023, the Supreme Court issued a decision in *Sackett v. EPA* that narrowed the interpretation of the scope of "waters of the United States" (WOTUS) under the CWA. Specifically, the Supreme Court ruled that CWA jurisdiction extends only to: (a) traditional interstate navigable waters; (b) relatively permanent waters connected to traditional interstate navigable waters; and (c) adjacent wetlands with a continuous surface connection to such waters. EPA and the United States Army Corps of Engineers (Army Corps) then published a final rule to confirm the definition of WOTUS to the decision in *Sackett*. The new definition encompasses fewer water bodies than the previous definitions of WOTUS.

WOTUS litigation is ongoing and complex. Twenty-four states led by West Virginia filed an amended complaint on November 13, 2023, in the U.S. District Court for the District of North Dakota arguing against EPA's control of certain waters. A motion to stay this litigation was granted by the district court on February 18, 2025. Idaho and Texas separately filed a suit at the same time. On December 18, 2023, Kentucky asked the U.S. Court of Appeals for the Sixth Circuit to reverse a loss on the first WOTUS rule and relook at the challenge in light of the revised regulation and remanded to the lower court for further proceedings. On April 3, 2025, the U.S. District Court for the District of Eastern Kentucky issued a stay on the litigation until October 14, 2025. On March 12, 2025, EPA issued guidance on the proper implementation of "continuous surface connection" under the definition of WOTUS and also solicited public comments with respect to how to define WOTUS consistent with the decision in *Sackett*. Currently, Georgia is enforcing the pre-2015 regulation definition of WOTUS. The current Phase I rule could have significant impact to MEAG Power with respect to plans for construction or operation of new generation units or related facilities, such as transmission lines and substations.

Legislative and Regulatory Issues

A variety of proposals to restructure the electric industry have been introduced at the federal level and in certain state jurisdictions. Restructuring initiatives have the potential for materially affecting revenues, operations and financial results and condition. The nature of these effects will depend on the content of any legislative or regulatory actions that may be applicable to Project One, the General Resolution Projects, the CC Project, the Vogtle Units 3&4 Projects and Project Entities or the Participants and cannot be identified with any degree of certainty at the current time. Neither MEAG Power nor the Participants are subject to regulation by the GPSC, the State regulatory body for certain utility matters.

Other Federal Initiatives

The objectives and goals of federal policy can shift significantly over a short period of time. Changes in federal policy have the potential to materially impact how MEAG Power operates and finances its business. Federal legislative, regulatory or executive initiatives relating to fiscal and monetary policies (including the ability of state governmental authorities to issue bonds the interest on which is exempt from federal income taxation), taxes, foreign trade and tariffs, environmental policy and federal support for energy or infrastructure projects are just some of the topics where a shift in the federal government's policies could be material to MEAG Power. The likelihood, scope or effect of future federal legislation or regulation or executive initiatives cannot be predicted, but could have a material adverse impact on MEAG Power's future results of operations, financial condition or cash flows.

Georgia Legislative Initiatives

At present, there are no pending bills that would mandate restructuring of the electric industry in Georgia or amend the Georgia Territorial Electric Service Act (Territorial Act). In addition, projections of MEAG Power's operations used for planning purposes assume that there will not be any significant changes in the electric utility industry in Georgia and that the Territorial Act will remain unchanged and in effect.

Legislation in recent years addressing distributed generation, CCRs, air quality and eminent domain, among other issues, has not been significant. MEAG Power continues to work diligently with allied organizations and trade associations to monitor and have input on harmful legislative proposals.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

FERC Matters

MEAG Power is not a FERC-jurisdictional utility; however, it is affected by certain FERC rulemakings, including Open Access Transmission Tariffs (OATT) and Standards of Conduct for Transmission Providers. MEAG Power has an OATT in substantially the form of the pro forma OATT set forth by FERC in Order Nos. 888 and 888-A, which required all "public utilities" under the Federal Power Act (FPA) that own, control or operate transmission facilities used in interstate commerce to file open access non-discriminatory tariffs containing minimum terms and conditions of service with FERC. While MEAG Power is not a public utility under the FPA, MEAG Power believes that its OATT satisfies the "reciprocity" requirements of Order Nos. 888 and 888-A.

Owners and operators of bulk power systems, including MEAG Power, have been subject to mandatory reliability standards since 2007. These reliability standards, enacted by NERC and enforced by FERC, have been revised and expanded from time to time, and MEAG Power expects them to continue to change. In addition to maintaining the reliability of the bulk electric system, NERC standards cover areas such as maintenance, training, operations, planning, modeling, critical infrastructure, physical and cyber security, vegetation management and facility ratings. MEAG Power has a formal compliance program designed to monitor and maintain compliance with the reliability standards applicable to MEAG Power. NERC is authorized to enforce its reliability standards, subject to FERC oversight, through the imposition of substantial monetary penalties and non-monetary remediation actions on NERC-registered entities that are found to be in violation of the standards.

In recent years, NERC has issued new and revised CIP standards. In partnership with GPC, MEAG Power transfers the majority of its transmission NERC CIP compliance responsibility and associated financial risk to GPC via certain sections of the ITS Operation Agreement. Both parties executed updates to applicable sections of the ITS Operation Agreement on December 1, 2020, May 9, 2022, September 21, 2022 and December 13, 2023 to reflect each party's respective compliance responsibilities associated with all current NERC CIP Standards.

In addition, GPC has filed the CFR documents with NERC that are consistent with the NERC CIP compliance support details within the ITS Operation Agreement. Through this agreement and associated NERC CFR documents, GPC has assumed the majority of the compliance and financial responsibility, and MEAG Power has assumed mostly administrative responsibilities for portions of NERC CIP, which has reduced its exposure to compliance and monetary penalty risk.

MEAG Power has CFRs with GPC covering certain operating and planning functions relating to MEAG Power's transmission facilities, which are part of the ITS. Under these CFRs, GPC agreed to undertake certain NERC reliability obligations associated with these transmission facilities. MEAG Power signed an agreement with NAES that was approved by SERC and NERC in 2019, pursuant to which MEAG Power transferred all generator owner and generator operator responsibilities for the CC Project to NAES. By transferring the responsibilities for compliance with these obligations to NAES, MEAG Power believes that it has significantly reduced its regulatory risks relating to reliability and the associated risks of monetary penalties, and that it is in compliance with its current NERC and SERC reliability obligations.

Utilities in the Southeast have implemented FERC Order No. 1000 (Order No. 1000), which requires public utility transmission providers to amend their open access transmission tariffs to include a methodology for planning and allocating the costs of new regional and inter-regional transmission facilities. MEAG Power is continuing to participate, voluntarily, in a regional transmission planning process with Southern Company and certain other southeast utilities. Order No. 1000 and related orders have not had a material adverse effect on MEAG Power, the Participants or the ITS.

On May 13, 2024, FERC issued Order No. 1920 which revised the pro forma OATT (see first paragraph of this section) by mandating long-term regional transmission planning with a 20-year horizon, requiring transmission providers to identify future needs and allocate costs of new facilities, addressing grid reliability and cost-effectiveness.

On November 21, 2024, FERC issued Order No. 1920-A that clarifies and modifies Order No. 1920, expanding the role of state entities in long-term transmission planning and cost allocation, and requiring transmission providers to consider state input and potentially create additional planning scenarios. Both Order Nos. 1920 and 1920-A are pending review before the D.C. Circuit. MEAG Power has the ability to revise its OATT to maintain reciprocity, but it does not believe that the requirements of Order Nos. 1920 and 1920-A will have a material impact to MEAG Power, the Participants or the ITS.

Mutual Aid Agreement

MEAG Power has entered into a mutual aid agreement with six utilities in the State of Florida (Florida) for provision of replacement power during an extended outage of certain specified baseload generating units. In the event of an outage of Scherer Unit 1 or Scherer Unit 2 that extends beyond 60 days, MEAG Power will receive 100 MW at a price based upon a fixed heat rate and a published gas price index or, if replacement power is provided by a coal unit, such coal unit's actual dispatch cost. In the event of an outage of the CC Project that extends beyond 60 days, MEAG Power will receive 150 MW at a price based upon a fixed heat rate and a published gas price index or, if replacement power is provided by a coal unit, such coal unit's actual dispatch cost. If a counterparty has an extended outage, MEAG Power expects that it would be required to provide between 14 MW and 35 MW for a maximum of 305 days, also at a price based upon a fixed heat rate and a published gas price index or, if replacement power is provided by a coal unit, such coal unit's actual dispatch cost. The mutual aid agreement expires in October 2027 and will automatically renew for an additional five years unless a 90-day notice is provided.

Litigation

On March 31, 2025, the U.S. District Court for the District of Columbia ruled in favor of the Army Corps, Georgia, the Atlanta Regional Commission, and the Cobb County-Marietta Water Authority regarding allocation of water from Lake Allatoona, which is part of the Alabama-Coosa-Tallapoosa River Basin (ACT). In previous litigation, the State of Alabama challenged the Army Corps' approval for Georgia to increase its allowed daily withdrawals from Lake Allatoona. It is currently unclear what effect, if any, additional legal challenges or a finalized ACT water allocation plan may have on the financial condition of MEAG Power.

Damage awards related to spent nuclear fuel storage litigation are discussed in Note 2 (G), "— Nuclear Generating Facilities."

In July 2020, a group of individual plaintiffs filed a complaint, which was amended in December 2022, in the Superior Court of Fulton County against GPC alleging that the construction and operation of Plant Scherer, of which MEAG Power is a co-owner, has impacted groundwater and air, resulting in alleged personal injuries and property damage. MEAG Power was not named as a defendant in the complaint, but GPC does act as MEAG Power's agent in connection with the operation of the facility. The lawsuit was subsequently transferred to the Superior Court of Monroe County, Georgia (Superior Court of Monroe County).

On November 18, 2024, the plaintiffs and GPC reached a monetary settlement to resolve all pending lawsuits to this litigation. On November 22, 2024, the Superior Court of Monroe County entered an order granting GPC's motions for summary judgment, finding that the plaintiffs could not prove that Plant Scherer's operations negatively impacted drinking water wells or caused personal injury or property damage. On November 25, 2024, the plaintiffs voluntarily dismissed with prejudice all claims in the litigation.

Both Florida Power & Light Company (FP&L) and JEA, the owners of Plant Scherer Unit No. 4, have asserted that they are not responsible for the payment of certain Plant Scherer Common Facilities operations and maintenance expenses and certain capital budget items. Accordingly, they have each submitted payment to GPC, as agent, for these disputed items under protest. On May 5, 2022, FP&L and JEA filed a civil complaint in the U.S. District Court for the Northern District of Georgia, seeking declaratory judgment that they have no cost responsibility for the design, construction, operation, maintenance or closure of (a) future landfills and cells to store by-products of the coal combustion process and corresponding air quality control systems for Scherer Units 1&2 and (b) any wastewater treatment systems to comply with the federal rules concerning ELG, including the 2020 Steam Electric Reconsideration Rule. GPC, MEAG Power, OPC and Dalton were named as defendants in the proceeding. Litigation continued during 2023 and on March 26, 2024, the court granted the co-defendants Motion to Dismiss plaintiffs First Amended Complaint but further provided that plaintiffs could file another amended complaint for the limited purpose of providing more specificity with respect to their claim against GPC based upon GPC's alleged failure to adhere to the contract provision pertaining to the doctrine of "no adverse distinction." As a result of plaintiff's failure to file a timely complaint, on April 15, 2024, an Order was entered dismissing the pending action and directing the clerk to close the case.

No other litigation or proceeding is pending against MEAG Power that could reasonably be expected to have any material adverse effect on the financial condition, results of operations or cash flows of MEAG Power.

8. SUBSEQUENT EVENTS

In accordance with GASB Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards," MEAG Power's management evaluated operating activities through May 16, 2025 and reports that on March 20, 2025, MEAG Power entered into a natural gas purchase agreement with MGAG for a 28-year term for gas sourced through a prepaid gas supply agreement. The gas commitment for the initial pricing period is $43.4 million for 5,584 MMBtus per day on an average annual basis.

Certain other 2025 developments are discussed in Note 2 (G) "— Transmission Facilities, the "Power Revenue Bonds, General Power Revenue Bonds, Subordinated Debt and Credit Agreements," and "Other Credit Agreements and Short-Term Debt" sections of Note 5, and the "Environmental Regulations" and "Litigation" sections of Note 7.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

Retirement Plan

Schedule of Changes in Net Pension Liability and Related Ratios
(dollars in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	**$ 530**	$ 576	$ 654	$ 659	$ 692	$ 703	$ 769	$ 795	$ 904	$ 1,012
Interest on the total pension liability	**5,300**	5,141	4,965	4,735	4,607	4,334	4,189	4,152	4,040	3,738
Difference between expected and actual experience	**684**	300	435	1,064	(112)	295	(183)	(212)	(661)	362
Assumption changes	**—**	—	—	101	(233)	1,277	(136)	(915)	(273)	(134)
Benefit payments	**(3,960)**	(3,830)	(3,588)	(3,426)	(3,054)	(2,883)	(2,557)	(2,540)	(2,269)	(1,938)
Net change in total pension liability	**2,554**	2,187	2,466	3,133	1,900	3,726	2,082	1,280	1,741	3,040
Total pension liability — beginning of year	**72,614**	70,427	67,961	64,828	62,928	59,202	57,120	55,840	54,099	51,059
Total pension liability — end of year (a)	**75,168**	72,614	70,427	67,961	64,828	62,928	59,202	57,120	55,840	54,099
Plan fiduciary net position										
MEAG Power contributions	**775**	775	775	775	100	775	775	3,141	934	8,500
Net investment income	**8,044**	9,992	(14,515)	10,114	10,130	12,594	(2,643)	8,098	3,969	325
Benefit payments	**(3,960)**	(3,830)	(3,588)	(3,426)	(3,054)	(2,883)	(2,557)	(2,540)	(2,269)	(1,938)
Administrative expenses	**—**	—	—	—	—	—	—	—	—	—
Net change in plan fiduciary net position	**4,859**	6,937	(17,328)	7,463	7,176	10,486	(4,425)	8,699	2,634	6,887
Plan fiduciary net position — beginning of year	**74,894**	67,957	85,285	77,822	70,646	60,160	64,585	55,886	53,252	46,365
Plan fiduciary net position — end of year (b)	**79,753**	74,894	67,957	85,285	77,822	70,646	60,160	64,585	55,886	53,252
Net pension liability — ending (a) — (b)	**$ (4,585)**	$ (2,280)	$ 2,470	$(17,324)	$(12,994)	$ (7,718)	$ (958)	$ (7,465)	$ (46)	$ 847
Plan fiduciary net position as a percentage of total pension liability	**106.10%**	103.14%	96.49%	125.49%	120.04%	112.26%	101.62%	113.07%	100.08%	98.43%
Covered payroll	**$ 8,956**	$ 9,158	$ 9,524	$ 9,364	$ 9,482	$ 9,836	$ 10,664	$ 10,922	$ 11,230	$ 11,013
Net pension liability as a percentage of covered payroll	**-51.18%**	-24.90%	25.93%	-185.01%	-137.04%	-78.46%	-8.98%	-68.35%	-0.41%	7.69%

REQUIRED SUPPLEMENTARY INFORMATION

(UNAUDITED)

Schedule of Employer Contributions to the Pension Plan
(dollars in thousands):

Year	Actuarially Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a Percent of Covered Payroll
2024	**$ —**	**$ 775**	**$ (775)**	**$ 8,956**	**8.65%**
2023	$ —	$ 775	$ (775)	$ 9,158	8.46%
2022	$ —	$ 775	$ (775)	$ 9,524	8.14%
2021	$ —	$ 775	$ (775)	$ 9,364	8.28%
2020	$ 91	$ 100	$ (9)	$ 9,482	1.05%
2019	$ —	$ 775	$ (775)	$ 9,836	7.88%
2018	$ —	$ 775	$ (775)	$10,664	7.27%
2017	$ 637	$3,141	$(2,504)	$10,922	28.76%
2016	$ 900	$ 934	$ (34)	$11,230	8.32%
2015	$1,875	$8,500	$(6,625)	$11,013	77.18%

The actuarially determined employer contribution is determined pursuant to OCGA 47-20-10. MEAG Power's contribution policy is to contribute at least the minimum required contribution calculated under OCGA 47-20-10. Historically, MEAG Power has contributed in excess of that amount.

OPEB

Schedule of Changes in Total OPEB Liability and Related Ratios
Pursuant to GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," a 10-year history of the following information is required. However, until a full 10-year trend is compiled, information for those years available may be presented (dollars in thousands):

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability								
Service cost	**$ 246**	$ 259	$ 352	$ 359	$ 331	$ 235	$ 262	$ 226
Interest	**329**	348	264	266	325	384	363	394
Changes of benefit terms	**—**	—	—	—	—	—	—	—
Differences between expected and actual experiences	**(65)**	(805)	(1,593)	(81)	39	177	(715)	244
Benefit payments	**(337)**	(409)	(363)	(453)	(453)	(356)	(335)	(298)
Changes of assumptions or other inputs	**(393)**	(52)	(2,112)	137	428	2,132	(757)	156
Net change in total OPEB liability	**(220)**	(659)	(3,452)	228	670	2,572	(1,182)	722
Total OPEB liability — beginning of year	**8,897**	9,556	13,008	12,780	12,110	9,538	10,720	9,998
Total OPEB liability — end of year	**$ 8,677**	$ 8,897	$ 9,556	$13,008	$12,780	$12,110	$ 9,538	$10,720
Covered employee payroll	**$19,071**	$18,264	$17,003	$16,153	$15,760	$15,512	$15,030	$14,632
Total OPEB liability as a percentage of covered employee payroll	**45.50%**	48.71%	56.20%	80.53%	81.09%	78.07%	63.46%	73.26%

Notes to Schedule:

- The Plan has no trust for accumulating assets.
- The discount rate increased from 3.77% to 4.16%

REPORT OF INDEPENDENT AUDITORS

To the Board of Municipal Electric Authority of Georgia

Opinions

We have audited the accompanying financial statements of the total business-type activities, the Project One major fund, the General Resolution Projects major fund, the Combined Cycle Project major fund, the Vogtle Units 3&4 Projects and Project Entities major fund and the Municipal Competitive Trust major fund of Municipal Electric Authority of Georgia ("MEAG Power"), which comprise the balance sheet as of December 31, 2024 and 2023, and the related statements of net revenues and of cash flows for the years then ended, including the related notes (collectively referred to as the " financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial positions of the total business-type activities, the Project One major fund, the General Resolution Projects major fund, the Combined Cycle Project major fund, the Vogtle Units 3&4 Projects and Project Entities major fund and the Municipal Competitive Trust major fund of MEAG Power as of December 31, 2024 and 2023, and the respective changes in their financial position and their cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MEAG Power and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MEAG Power's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MEAG Power's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MEAG Power's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

REPORT OF INDEPENDENT AUDITORS

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 16 through 23, schedule of changes in net pension liability and related ratios on page 78, schedule of employer contributions to the pension plan on page 79, and schedule of changes in total OPEB liability and related ratios on page 79 be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management, although not a part of the basic consolidated financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the information on pages 1 through 14, but does not include the basic consolidated financial statements and our auditors' report thereon. Our opinions on the basic consolidated financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

PricewaterhouseCoopers LLP

Atlanta, Georgia
May 16, 2025

CORPORATE INFORMATION

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PFM Financial Advisors LLC
Philadelphia, PA

Independent Auditors
PricewaterhouseCoopers LLP
Atlanta, GA

IN MEMORY OF STEVE RENTFROW

Steve Rentfrow was a trusted and valued member of MEAG Power's Board from 1994–2021. His counsel was integral to many important decisions over the years, and his focus on the organization's mission to deliver reliable, affordable power never wavered. MEAG Power is grateful for his many contributions and celebrates the lasting impact he has had on our organization.

MEAGPOWER

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