



A Shared Vision

2025 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)

(Dollars in thousands)	2025	2024	2023
Total revenues	\$ 1,320,630	\$ 1,235,869	\$ 877,605
Total assets and deferred outflows of resources	\$12,907,034	\$12,904,741	\$ 12,719,777
Property, plant and equipment, net	\$ 8,602,580	\$ 8,601,387	\$ 8,624,312
Debt outstanding (excluding defeased bonds)	\$ 9,396,011	\$ 9,623,002	\$ 9,459,180
Total delivered energy to MEAG Power Participants (MWh) ⁽¹⁾	13,571,365	13,563,119	11,842,834
Cost to MEAG Power Participants (cents per kWh):			
Total cost ⁽¹⁾	7.05	6.33	7.03
Bulk power cost	7.00	6.29	7.00
SEPA cost ⁽¹⁾	8.04	7.16	7.59
Peak demand (MW)	2,313	2,341	2,204
Total nominal generating capacity in service (MW) ⁽²⁾⁽³⁾	2,300	2,300	2,050

(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.

(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.



As we wrap up our 50th anniversary celebrations and turn toward the next chapter in our history, we do so with a renewed spirit of service and partnership. Our Participants are why MEAG Power exists. We will continue to be the means to leverage their collective strength and scale to provide reliable, affordable power that enhances the vitality of their communities. It's a shared vision that continues to endure.

Sharing

the Advantages of Economical Power

Energy is the lifeblood of a community. It powers essential services and critical infrastructure, and is a catalyst for economic growth. As a MEAG Power community, Participants get their power at cost, which enables them to offer competitive rates for citizens and businesses alike.

Participants also have access to a mix of generation resources that would be difficult for any single city to achieve on its own. They benefit from one of the most diverse, emissions-free portfolios in the Southeast. This portfolio has helped to stabilize supply costs and reduce exposure to market volatility.

The recurring revenue stream generated by electric sales enables local officials to reinvest in their communities. Depending on the needs and priorities of the Participant, these investments can help enhance affordability, fuel economic growth and expand services to residents.

Plant Vogtle Units 3&4

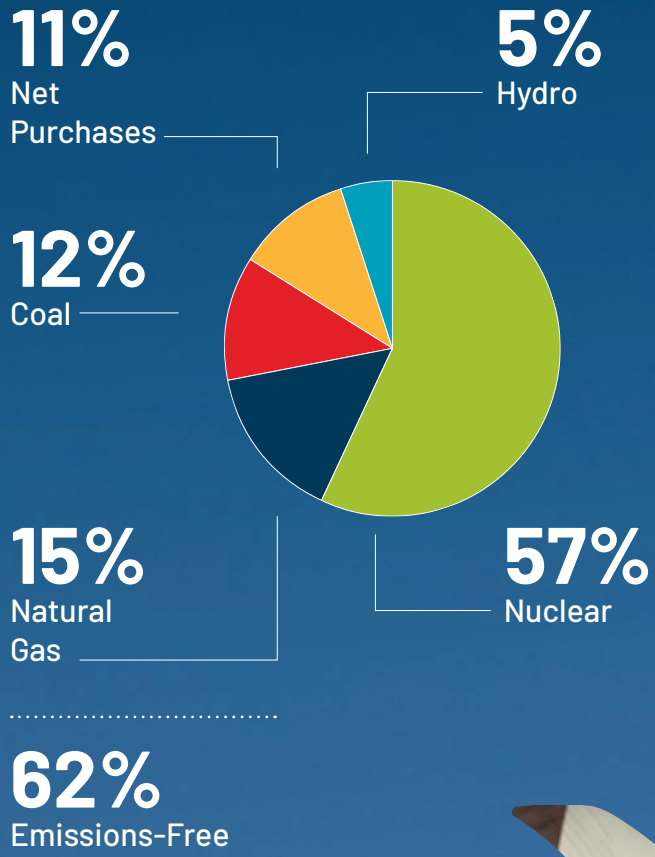


MEAG Power Participants also gain the economic benefits of having utility services housed in their communities, providing an ongoing source of homegrown jobs and supporting the local economy through a “local multiplier effect.” Wages remain in the community, as do purchases of equipment, materials and services—recirculating each dollar an estimated two to four times in the local economy.

Participants also benefit from MEAG Power’s partnership with ACES, a nationwide energy management company. Through ACES, MEAG Power optimizes the system supply; strategically buying and selling power in the wholesale market. This effort minimizes cost for the Participants, while managing risk.

The collaborative structure of MEAG Power also allows Participants to adjust and share generation resources among themselves when market conditions shift. This flexibility further reduces risk and helps stabilize the cost of supply—advantages that would be difficult for any single city to achieve alone.

2025 MEAG POWER DELIVERED ENERGY



A Shared Vision

“Being a MEAG city means Forsyth has access to reliable, cost-effective energy and a strong partnership that supports long-term growth and stability for our community.”

CRAIG MIMS
City Manager
City of Forsyth

Sharing the Advantages of Scale

The shared vision of MEAG Power Participants has been achieved time and again through the combined strength of their collective scale. As part of a joint action agency, the Participants have helped finance large-scale, capital-intensive projects at favorable rates.


In the wake of creating MEAG Power, Participants agreed to acquire ownership shares in Plants Hatch, Vogtle, Wansley and Scherer. They later approved the building of a wholly owned combined-cycle gas unit at Plant Wansley, ownership interests in emissions-free generation from Vogtle Units 3&4 and a power purchase agreement (PPA) with Pineview Solar.

Today, Participants benefit from more than 2,300 MW of generation from a diverse, clean portfolio that compares favorably to Georgia and U.S. averages. Since 2016, MEAG Power has delivered, on average, 65% emissions-free energy. That compares to 45% in Georgia and 35% in the U.S.

Participants also receive seamless transmission service and the ability to connect load or resources throughout the state through MEAG Power's ownership stake in the Integrated Transmission System (ITS), a 17,800-mile network covering 90% of Georgia. Supporting this service is MEAG Power's ownership of more than 1,300 miles of high-voltage transmission lines and 210 substations on behalf of the Participants.

Together, these investments provide reliable energy delivery and long-term cost stability. They also strengthen the ability of communities to attract new businesses seeking dependable, competitively priced and increasingly clean power.

At the same time, each Participant retains local control over its utility operations, ensuring responsive service and strong connections to the communities they serve.



Plant Wansley combined-cycle
natural gas generating plant



A Shared Vision

"Being a MEAG Community means having access to resources usually reserved for big corporations, while maintaining the ability to serve our community with a small-town heart and values."

ANGIE LUNA
Deputy City Manager
City of Acworth



A Shared Vision

"I am committed to keeping the City of LaGrange moving forward, and our partnership with MEAG Power is a key part of that. It ensures we can provide dependable, affordable energy while continuing to grow and create opportunities for our community."

JIM ARRINGTON
Mayor
City of LaGrange

Sharing

**the Benefits and
Risk Mitigation of
Serving Large Loads**



The collaborative model that underpins the Participants' shared vision also guides how MEAG Power addresses emerging opportunities and challenges. One of the most significant developments shaping the energy landscape today is the growth of large-load customers.

For communities, these loads present both substantial opportunities and meaningful risks. A single facility can generate significant tax revenue and energy sales.

At the same time, the scale of these facilities can be enormous. In some cases, a single customer may require more electricity than an entire city currently consumes. The rapid pace of development also introduces uncertainty around long-term energy demand, operational timelines and the risk of early termination of service agreements.

To address these challenges, MEAG Power is taking a thoughtful approach to position Participants to share in the economic benefits of serving large loads, while minimizing the risks associated with these customers.

Protecting the interests of existing ratepayers remains central to this approach. The goal is to ensure that retail customers are shielded from potential costs associated with new infrastructure or changes in demand, should large-load utilization fall short of projections.

This process has been intentionally deliberate, but as Apple founder Steve Jobs once said, "Details matter; it's worth waiting to get it right."

A Shared Vision

"Being a MEAG Power city means Fort Valley can deliver reliable, affordable energy while staying true to our commitment of putting our community first—supporting our residents, our businesses and our future growth."

CLAY WALKER
General Manager
Fort Valley Utility Commission



1,300+

Miles of high-voltage
transmission lines



200+

Substations

Sharing the Advantages of Public Power



The public power model is a common bond among Participants. As community-owned utilities, MEAG Power Participants operate on a not-for-profit basis, with decisions guided by what is best for residents and local businesses—not shareholders.

This model consistently delivers value for customers. On average, U.S. public power customers pay between \$100 and \$320 less per year for electricity than customers served by investor-owned utilities. Closer to home, a summer 2025 Georgia Public Service Commission rate survey showed that MEAG Power Participants charged an average residential rate that compared favorably with statewide and national averages.



Pineview Solar energy facility



Left: The Granite Bowl in downtown Elberton, Ga.
Right: Courthouse tower in Thomasville, Ga.

Reliability is another key advantage. Because municipal utilities maintain locally based crews and infrastructure, public power customers experience roughly half the outage time of customers served by other types of utilities. In 2023 alone, public power customers nationwide saved an estimated \$112.5 million in avoided outage costs and \$4.2 billion through lower electric bills, according to the American Public Power Association (APPA).

Participants also benefit from strong advocacy and industry expertise through organizations such as the APPA and the Large Public Power Council. These organizations amplify the voice of community-owned utilities in policy discussions while providing research, analysis and best practices that help municipal utilities navigate an increasingly complex energy landscape.

Together, these advantages reinforce the enduring strength of the public power model—delivering reliable, affordable energy while supporting the long-term vitality of MEAG Power communities.

A Shared Vision

“Membership in MEAG Power ensures member cities have a coordinated, strategic voice on issues that directly affect operations, cost and service reliability.”

Kendall C. Hodge
Director, Utility Operations
City of Albany



A Message from the Chairman and President

In 1975, Georgia’s “Electric Cities” came together with a shared vision: to gain control over their energy supply, reduce risk and cost, and strengthen the vitality of their communities. That unity of purpose across mayors, city councils, administrators and utility leaders drove the formation of MEAG Power, which has supported Participants’ energy needs for five decades.

As MEAG Power celebrated its 50th anniversary in 2025, we were reminded of the strength and durability of our founding mission—to deliver reliable, affordable wholesale energy to our Participants—and of the many advantages that Participants gain from working together for the common good.

Plant Vogtle Operations

A prime example of this is the addition of Plant Vogtle Units 3&4. The Vogtle expansion reflects the Participants’ ability to come together to support the long-term needs of their communities.

Even in challenging circumstances the Participants’ resolve never wavered, and their vision for this project is now producing rewards. Since coming online in 2023 and 2024, Units 3&4 have demonstrated strong operational performance.

Unit 3 achieved a 94.5% availability factor, and Unit 4 achieved a 96.7% availability factor from the start of commercial operation to the first refueling outage. During the second fuel cycle, Unit 3 achieved an availability factor of 95.5%, and Unit 4 achieved an availability factor of 100% through the end of 2025. Combined, both units have generated millions of megawatts of emissions-free energy.

Additionally, plans are underway to increase the maximum power output of Plant Vogtle Units 1&2. Called “uprates,” this effort is aimed at upgrading the non-nuclear areas of the plant, resulting in a forecasted 3 to 4 percent increase

in output. This would translate to a minimum of 23 MW of emissions-free power for MEAG Power’s share of the output of those units.

The investments will be eligible for production tax credits or investment tax credits. Georgia Power has received approval from the Georgia Public Service Commission for the uprates, and the estimated time of completion is in the next four to five years.

Pineview Solar

Another example of Participants benefiting from working together is the Pineview solar facility, where 22 communities came together with a shared vision of adding solar generation to their energy mix. There were several twists and turns to getting this venture off the ground, but the Participants stayed steady in their support of the project.

Linea Energy, the owner of Pineview, broke ground in November 2024, and work on the site progressed steadily in 2025. By year-end, engineering and construction were complete, with more than 155,000 modules installed on 489 acres of land.

Initial synchronization and test energy occurred in January 2026, with commercial operation slated for later in the year. The addition of 80 MW of solar generation—enough to serve 15,000 households each year—will enhance the affordability, diversity and emissions-free profile of our generation portfolio.

James E. Fuller, President and
Chief Executive Officer and
L. Timothy Houston, Sr., Chairman



The Participants in the 15-year Pineview Solar PPA will receive energy at a fixed price, pay only for the energy produced and receive the renewable energy credits (RECs) for each megawatt-hour produced. Their collaboration on this project will give them a generation resource with long-term price stability and protection against spikes in energy market prices.

Transmission Upgrades

From the beginning, the Electric Cities understood that reliable generation must be supported by strong transmission infrastructure. In 1977, MEAG Power acquired 875 miles of transmission lines and 63 substations, followed two years later by another 165 miles of lines and 11 substations. We also gained shared ownership in the ITS, the 17,800-mile network that delivers power across 90% of Georgia.

Many of these original assets remain in service today. Like other utilities across the country, we recognize that modernizing the electric grid is essential to maintaining reliability and supporting future growth.

In 2025, we made significant progress replacing and upgrading MEAG Power equipment, completing 70 projects involving 64 substations and six transmission lines. This included work to replace the Aultman Road–Bonaire Line, built in 1956, that was at risk of thermal overload; replacement of the Tifton–Offerman 230kV line that was built in 1962, much of which was end-of-life; and an upgrade of the Lloyd Shoals–Monticello 69kV line that dates back to 1968.

The ITS Owners have identified more than 2,000 miles of new, rebuilt and upgraded transmission within the ITS that will be needed to support the load growth expected over the next decade. MEAG Power has more than 100 substation and 40 transmission line initiatives planned for 2026 to help meet this need.

Large-Load Growth

Much of this load growth is projected to come from large-load customers and economic growth in Georgia, which is a national leader in advanced manufacturing, among other industries.

Serving these large loads offers significant opportunities, including increased tax and energy sales revenue. However, there are equally significant risks, including higher costs that could be borne by our Participants' retail customers if loads fall short of expectations or service agreements terminate early.

Because the market is evolving rapidly, it is important that we have plans in place that enable Participants to share in the benefits of serving large loads while minimizing risks. We are taking a strategic, thoughtful approach, remaining flexible to changes in market conditions so we can best protect Participant interests.

Supporting this approach is our Integrated Resource Plan (IRP) process, which we will undertake in 2026. This will include evaluating the potential addition of large loads to the MEAG Power generation and transmission system.

This study will provide a long-term view of the optimal resource mix for serving our Participants' needs in a variety of industry scenarios.

Participant Advocacy

Related to the IRP process is consideration of potential changes in the regulatory environment. For example, future changes in environmental regulations could impact any decisions we make today on generation and transmission needs.

For that reason, MEAG Power advocates on behalf of Participant interests at state and federal government levels. We can amplify concerns beyond what a single Participant could do on their own.

It was in that spirit that members of the MEAG Power staff and Board traveled to Washington, D.C., in 2025. At the time, Congress was considering a tax reform bill through the budget reconciliation process. Of particular importance were proposals that may have eliminated tax-exempt financing.

Congressional leaders heard firsthand how eliminating these financing tools would adversely impact Participant communities. Thankfully, Congress eventually passed the budget bill, preserving these provisions.

Production Tax Credits

MEAG Power also actively monitors federal tax credit opportunities that benefit Participants. In 2025, we took advantage of two credits that support the emission-free and reliability benefits of nuclear power.

The first credit—the 45J production tax credit (PTC)—is designed to incentivize advanced nuclear facilities and applies to our generation at Plant Vogtle Units 3&4. This production-based credit is available for eight years after a facility is placed in service—through 2031 for Unit 3 and 2032 for Unit 4.

The second credit—the 45U existing nuclear PTC—was created by the Inflation Reduction Act of 2022, preserved in the 2025 One Big Beautiful Bill Act, and applies to our generation at Plant Hatch Units 1&2 and Plant Vogtle Units 1&2.

The 45U PTC supports continued operation of the nuclear fleet and is available between 2024 and 2032. Under the provisions of the enabling legislation, MEAG Power can elect the Direct Pay provisions and receive these benefits directly from Treasury.



The amount of the 45U PTC will fluctuate from year to year, beginning with a base credit (indexed for inflation) that may be reduced or phased out by gross receipts (indexed for inflation), with the net amount eligible for a five-fold increase for meeting prevailing wage requirements.

Important Decisions in 2026

As we look ahead to 2026, we expect to make important decisions regarding opportunities to serve large-load customers and the resources needed to support that growth. As always, those decisions will be guided by the same principle that has shaped MEAG Power since its founding: acting in the best interests of our Participants and the communities they serve.

We share our Participants' vision of making their communities great places to live and work, and we understand the important role reliable, affordable energy plays in making that vision a reality.

As we begin the next chapter in MEAG Power's history, we remain committed to the idea that brought the Electric Cities together 50 years ago—that by working together and leveraging their combined strength, Participants can create significant value for their communities.

James E. Fuller
President & CEO

L. Timothy Houston, Sr.
Chairman
Alderman, Acworth

MEAG Power's Senior Management



Left to Right

PAUL J. WARFEL
Vice President of Participant &
External Affairs

PETER M. DEGNAN, ESQ.
Senior Vice President &
General Counsel

JAMES E. FULLER
President & CEO

STEVEN M. JACKSON
Senior Vice President &
Chief Operating Officer

REIKO A. KERR
Senior Vice President, Finance &
Administration & Chief Financial Officer

DOUGLAS K. LEGO
Senior Vice President,
Transmission

MEAG Power's Board of Directors



Left to Right

GREGORY P. THOMPSON
City Council Member, Monroe

WILLIAM J. YEARTA
State Representative,
Sylvester

**R. STEVE "THUNDER"
TUMLIN, JR.**
Mayor, Marietta

TERRELL D. JACOBS
City Manager, Albany

L. TIMOTHY HOUSTON, SR.
Chairman
Alderman, Acworth

LARRY M. VICKERY
Former General Manager,
Calhoun Utilities

CHAD E. WARBINGTON
Mayor Pro Tem, Albany

ERIC S. WILSON
Secretary-Treasurer
Businessman, Forsyth

PATRICK C. BOWIE, JR.
Vice Chairman,
City Manager, LaGrange

Our Participants



MEAG Power's 49 Participants enjoy the benefits of reliable, affordable and increasingly clean wholesale power.

MEAG Power Communities

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





Our Generation Resources

At-A-Glance

Ownership Assets

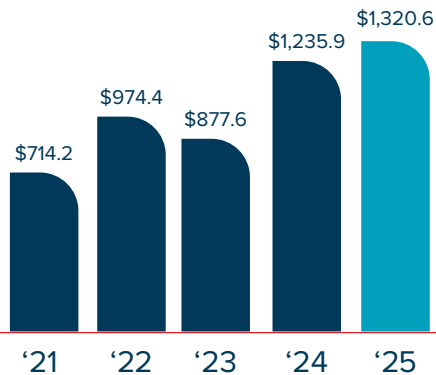
Plant Hatch Units 1&2	NUCLEAR	17.7% ownership	286 MW
Plant Vogtle Units 1-4	NUCLEAR	22.7% ownership	1,022 MW
Plant Scherer Units 1&2	COAL (western)	30.2% ownership	489 MW
Plant Wansley	COMBINED-CYCLE GAS	100% ownership	503 MW

Non-ownership Assets

Pineview Solar	SOLAR	Power Purchase Agreement	80 MW
SEPA Hydro	HYDRO	MEAG Power schedules and delivers SEPA's hydro power.	389 MW
Addison	SINGLE CYCLE GAS	Power Purchase Agreement	150 MW

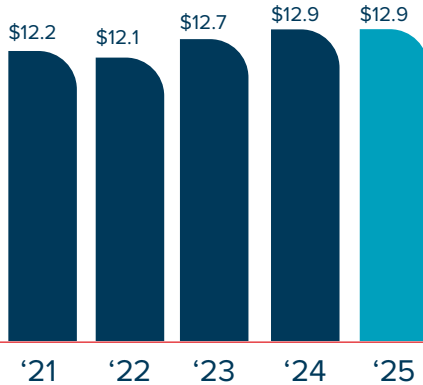
2025 Selected Financial Highlights

Total Revenues
(dollars in millions)



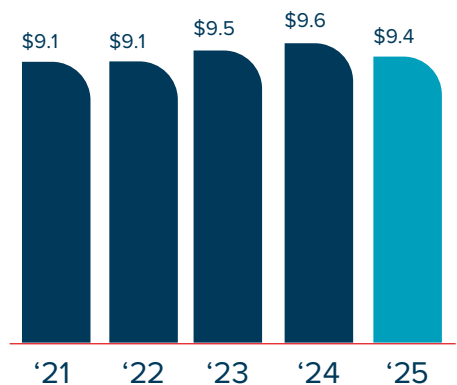
Total revenues increased \$84.8 million during 2025, primarily due to a federal nuclear production tax credit received from the U.S. Treasury, and Vogtle Units 3&4 being in commercial operation for the full year.

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



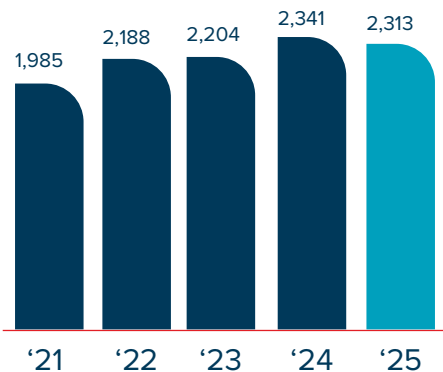
During 2025, a slight increase in total assets and deferred outflows of resources was primarily due to fair value changes and asset retirement obligation factors.

Total Debt Outstanding
(dollars in billions)



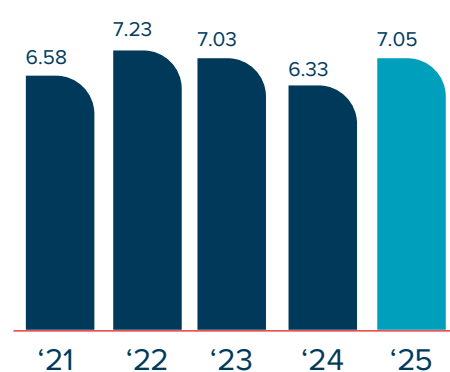
Total debt outstanding decreased \$227 million in 2025, primarily due to bond refundings and planned principal maturities.

Peak Demand
(MW)



In 2025, peak demand decreased 1.2% due to reduced high-density loads.

Cost to Participants
(cents/kWh)



In 2025, total cents per kWh was 7.05, compared with 6.33 in 2024. The increase was primarily due to higher operating expenses.

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).

Financial Condition Overview

MEAG Power’s Balance Sheet as of December 31, 2025, 2024, and 2023 is summarized below (in thousands):

	2025	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
Property, plant and equipment, net	\$ 8,602,580	\$ 8,601,387	\$ 8,624,312
Other non-current assets	2,690,613	2,666,442	2,599,403
Current assets	1,447,352	1,474,432	1,193,759
Total assets	12,740,545	12,742,261	12,417,474
Deferred outflows of resources	166,489	162,480	302,303
Total Assets and Deferred Outflows of Resources	\$ 12,907,034	\$ 12,904,741	\$ 12,719,777
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
Long-term debt	\$ 9,095,527	\$ 9,373,611	\$ 9,211,985
Non-current liabilities	1,018,100	1,003,054	1,130,799
Current liabilities	1,229,172	1,059,444	971,872
Total liabilities	11,342,799	11,436,109	11,314,656
Deferred inflows of resources	1,564,235	1,468,632	1,405,121
Total Liabilities and Deferred Inflows of Resources	\$ 12,907,034	\$ 12,904,741	\$ 12,719,777

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.

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, 2025 and 2024 were as follows:

2025 COMPARED WITH 2024

Assets and Deferred Outflows of Resources

Total assets increased slightly during the period as follows:

- Property, Plant & Equipment (PP&E) increased \$1.2 million mainly due to construction work in progress (CWIP) additions for transmission facilities and generating units, which were mostly offset by higher accumulated depreciation.
- A \$24.2 million increase in other non-current assets was mainly related to an increase of \$54.2 million in special funds due to a net increase in the fair value of financial instruments (see “Non-Operating Expense (Income), Net”) and funding federal nuclear production tax credit proceeds accounts (see Note 1, section (D), “Production Tax Credits”). Net costs to be recovered from Participants decreased \$25.7 million primarily due to capitalized interest pertaining to Vogtle Units 3&4.
- Current assets decreased \$27.1 million, primarily due to a \$35.9 million decrease in special funds related to application of bond refunding proceeds and funding general operating accounts, which was partially offset by an increase of \$27.4 million in receivables from Participants related to transmission high-density load construction project funding. Materials, supplies and other assets increased \$9.1 million, due mainly to an increase in maintenance material for Plants Hatch and Vogtle, which was partially offset by a decrease in the fair value of natural gas hedges.

Deferred outflows of resources increased \$4.0 million mainly related to an increase of \$5.7 million in asset retirement obligations and a change of \$5.3 million in the fair market value of interest rate swap obligations and natural gas hedges which were partially offset by a decrease of \$4.2 million related to retirement benefits.

Liabilities and Deferred Inflows of Resources

During 2025, total liabilities decreased \$93.3 million as follows:

- A decrease of \$278.1 million in long-term debt was mainly due to bond refunding proceeds and principal debt scheduled payments, which were partially offset by an additional \$150.0 million in advances from credit facilities and commercial paper (CP) notes.
- Non-current liabilities increased \$15.0 million primarily due to changes in asset retirement obligations (ARO).
- An increase of \$169.7 million in current liabilities was primarily due to a \$89.4 million increase in accounts payable, which was mainly related to Vogtle Units 3&4 being in operation for the full year. Construction liabilities increased \$33.4 million, primarily related to new construction project deposits. The current portion of long-term debt increased \$46.0 million due to scheduled bond amortization.

Deferred inflows of resources increased \$95.6 million, which was mainly related to timing differences between amounts billed and expenses determined in accordance with accounting principles generally accepted in the United States (Timing Differences) and ARO (see Note 2, section (D), “Net Costs To Be Recovered and Deferred Inflows of Resources”).

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 PP&E was primarily due to an increase of \$226.7 million in accumulated depreciation, 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 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, 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 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.

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

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 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”).

Results of Operations

MEAG Power’s Statement of Net Revenues for each of the years ended December 31, 2025, 2024 and 2023 is summarized below (in thousands):

	2025	2024	2023
Revenues			
Participant	\$ 798,045	\$ 775,366	\$ 692,697
Other	522,585	460,503	184,908
Total revenues	1,320,630	1,235,869	877,605
Operating expenses	1,037,877	951,848	687,928
Net operating revenues	282,753	284,021	189,677
Non-operating expense, net	231,536	147,470	47,269
Change in net costs to be recovered from Participants or Competitive Trust obligations	51,217	136,551	142,408
Net Revenues	\$ —	\$ —	\$ —

The primary changes in MEAG Power’s results of operations for the years ended December 31, 2025 and 2024 were as follows:

2025 COMPARED WITH 2024

Revenues

During 2025, total revenues were \$1.3 billion compared with \$1.2 billion for 2024, an increase of 6.9%, due to these primary factors:

- Billings for debt service, and other fixed and variable costs pertaining to generating units, transmission and distribution facilities increased \$65.5 million principally because Vogtle Units 3&4 were in commercial operation in 2025 for the full year.
- A federal nuclear production tax credit received from the U.S. Treasury pertaining to Hatch Units 1&2 and Vogtle Units 1&2 (see Note 2 (G), “Nuclear Generating Facilities – Power Production Credit”), totaled \$84.8 million.

These factors were partially offset by a decrease of \$52.0 million in other revenue, mainly related to spent fuel litigation damage recoveries, which were received from the U.S. Government in 2024 and a decrease in Pseudo Scheduling and Services Agreement (PSSA) energy sales of \$13.6 million (see Note 2 (G), “Generation and Transmission Facilities”).

Operating Expenses

Operating expenses totaled \$1.0 billion during 2025, an increase of 9.0% from \$951.8 million during 2024:

- Total fuel expense decreased \$2.5 million mainly due to a decrease of \$17.2 million in natural gas expense and an increase in coal expense of \$16.0 million primarily related to an unplanned outage at the Combined Cycle unit.
- A \$17.6 million increase in purchased power expense was due mainly to higher market prices.
- Other generating and operating expense increased \$60.7 million, of which \$31.6 million was due to both Vogtle Units 3&4 being operational for the full calendar year, \$17.4 million was due to the unplanned outage of the Combined Cycle unit and an increase of \$9.9 million in PSSA energy purchases was mainly related to higher natural gas and power prices.
- Transmission expense increased \$10.3 million primarily related to Integrated Transmission System parity payments, which resulted from an increase in other ITS Owners’ construction costs and an increase in the number of new transmission projects (see Note 2 (G), “Transmission Facilities”).

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

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 \$231.5 million during 2025. This \$84.1 million increase from the total of \$147.5 million for 2024 was due primarily to changes in these components:

- Interest expense decreased \$14.7 million due to lower interest rates on certain DOE Guaranteed Loans and lower debt balances due to scheduled principal payments and refunded bonds.
- Investment income decreased \$6.5 million due mainly to lower market interest rates.
- An \$18.7 million increase in the fair value of financial instruments was mainly due to an increase in market value of securities held in the decommissioning trust account.
- Capitalized interest decreased \$110.0 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 \$51.2 million for 2025 and \$136.6 million for 2024. This variance of \$85.3 million was mainly related to Vogtle Units 3&4, with primary factors being the accounting treatment of interest expense and capitalized interest, and collections of certain fixed costs and federal nuclear production tax credits.

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.
- PSSA 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

Non-operating expense (income), net totaled \$147.5 million during 2024, a \$100.2 million increase from the total of \$47.3 million for 2023, which 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").

Energy Resources

Solar Initiative

In 2021, MEAG Power entered into a 20-year, fixed price Power Purchase Agreement (PPA) with Pineview Solar LLC, a predecessor to Linea Development Co. LLC, for the offtake 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 term was later amended to 15 years and currently, twenty-two Participants are party to Power Purchase Contracts with MEAG Power for an entitlement share of the solar energy from this PPA.

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

Construction of the facility is complete and initial synchronization to the grid for testing was achieved on January 5, 2026. Test energy is being received from the facility as commissioning activities were complete. COD, per the requirements of the PPA, was achieved on May 15th, 2026.

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 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.

Following litigation relating to SEEM and its operational protocols, on January 5, 2026, FERC accepted a settlement reached between all parties involved in the litigation. Under the settlement, SEEM will publicly post the average hourly price data for transactions made on the platform during the prior hour. In exchange, all parties that intervened in opposition to SEEM will cease further legal action at FERC and withdraw court appeals following the settlement’s effective date.

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 fossil- 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, fossil 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, 2025, were as follows (in thousands):

	Net Plant in service	Total CWIP
Nuclear	\$ 5,478,984	\$ 227,844
Coal	334,097	54,376
Natural gas	155,882	3,273
Transmission	479,097	129,646
Distribution	235,069	44,006
General/other plant	1,187,180	8,500
Total	\$ 7,870,309	\$ 467,645

Financing Activities

Funds generated from operations are estimated to provide approximately 50% of construction expenditures in 2026, 29% in 2027 and 36% in 2028, 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 CP program and revolving credit facilities with banks. 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, section (D), “Vogtle Units 3&4 Projects and Project Entities.” To meet short-term cash needs and contingencies, \$467.2 million of unused credit was available through credit facilities and other arrangements with banks (collectively, the Credit Arrangements) as of December 31, 2025, as described in “Liquidity and Capital Resources.”

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

On August 6, 2025, Fitch Ratings simultaneously affirmed and, at the request of MEAG Power, withdrew its ratings on MEAG Power’s Project One, General Resolution Projects, Combined Cycle Project, and Vogtle Units 3&4 Projects. MEAG Power has concluded that maintaining three ratings is not necessary and has elected to discontinue the use of Fitch Ratings for its outstanding bonds and future issuances. The unenhanced ratings and outlook assigned to MEAG Power’s senior lien and subordinated debt obligations as of May 18, 2026 are as follows:

Project	Lien	Moody's Investors Service		Standard & Poor's	
		Rating	Outlook	Rating	Outlook
Project One	Senior	A1	Stable	A	Stable
	Subordinated	A2	Stable	A-	Stable
General Resolution Projects	Senior	A1	Stable	A	Stable
	Subordinated	A2	Stable	A-	Stable
Combined Cycle Project	Senior	A1	Stable	A-	Stable
Vogtle Units 3&4 Projects:					
Project M	Senior	A2	Stable	A	Stable
Project J	Senior	A3	Stable	A	Stable
Project P	Senior	Baa1	Stable	BBB+	Stable

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, 2025, MEAG Power had \$3.0 billion of special funds deposits, of which \$1.6 billion was available to fund various operating, construction, debt service and contingency requirements. Within the Competitive Trust, \$589.6 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 \$589.6 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 \$771.6 million.

As of December 31, 2025, the aggregate commitments under Credit Arrangements with banks totaled \$717.5 million of which \$250.3 million was drawn with the remaining \$467.2 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 2026 through 2029, and management expects to renew or replace the facilities as needed prior to expiration. For additional information regarding available credit, see Note 5.

During 2026 through 2028, maturities of long-term debt and sinking fund redemptions are expected to total \$367.3 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.

As of December 31, 2025, estimated construction and financing expenditures for Project One, the General Resolution Projects and the CC Project in the aggregate were as follows (in thousands):

Year	Estimated Construction and Financing Expenditures
2026	\$ 287.9
2027	550.8
2028	447.6
Total	\$ 1,286.3

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. As discussed in “Capital Program,” CWIP as of December 31, 2025 totaled \$467.6 million.

2025 CONSOLIDATED BALANCE SHEET

December 31, 2025							
ASSETS (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Property, plant and equipment, at cost:							
In service	\$ 3,661,716	\$ 1,185,514	\$ 344,607	\$ 5,952,958	\$ —	\$ —	\$ 11,144,795
Less accumulated depreciation	(2,113,505)	(812,758)	(188,725)	(159,498)	—	—	(3,274,486)
Property in service, net	1,548,211	372,756	155,882	5,793,460	—	—	7,870,309
Construction work in progress	359,914	55,910	3,273	48,548	—	—	467,645
Nuclear fuel, net of accumulated amortization	157,050	20,523	—	87,053	—	—	264,626
Total property, plant and equipment, net	2,065,175	449,189	159,155	5,929,061	—	—	8,602,580
Other non-current assets:							
Special funds, including cash and cash equivalents	817,898	119,795	25,570	640,363	228,707	—	1,832,333
Net costs to be recovered from Participants	135,635	57,746	—	606,118	—	—	799,499
Unamortized bond issuance costs	6,168	971	116	51,526	—	—	58,781
Total other non-current assets	959,701	178,512	25,686	1,298,007	228,707	—	2,690,613
Current assets:							
Special funds, including cash and cash equivalents	302,980	92,293	25,395	351,608	360,848	—	1,133,124
Supplemental power account, including cash and cash equivalents	14,293	—	—	—	—	—	14,293
Receivables from Participants	73,198	15,020	—	879	—	—	89,097
Other receivables	9,458	1,169	5,433	18,143	6	(3,031)	31,178
Fuel stocks, at average cost	4,267	8,106	—	516	—	—	12,889
Materials, supplies and other assets	101,662	14,539	4,303	46,267	—	—	166,771
Total current assets	505,858	131,127	35,131	417,413	360,854	(3,031)	1,447,352
Total assets	3,530,734	758,828	219,972	7,644,481	589,561	(3,031)	12,740,545
Deferred outflows of resources:							
Accumulated decrease in fair value of hedging derivative instruments	16,306	—	1,904	—	—	—	18,210
Unamortized loss on refunded debt	—	—	27	—	—	—	27
Pensions and other postemployment benefits	4,713	588	177	379	—	—	5,857
Asset retirement obligations	—	73,428	—	68,967	—	—	142,395
Total deferred outflows of resources	21,019	74,016	2,108	69,346	—	—	166,489
Total Assets and Deferred Outflows of Resources	\$ 3,551,753	\$ 832,844	\$ 222,080	\$ 7,713,827	\$ 589,561	\$ (3,031)	\$ 12,907,034

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

2025 CONSOLIDATED BALANCE SHEET

December 31, 2025							
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	\$ 143,200	\$ 73,250	\$ 15,035	\$ 7,074,138	\$ —	\$ —	\$ 7,305,623
Unamortized (discount) premium, net	4,260	1,435	1,754	158,815	—	—	166,264
Total senior debt	147,460	74,685	16,789	7,232,953	—	—	7,471,887
Subordinated debt	1,321,231	187,450	—	—	—	—	1,508,681
Unamortized (discount) premium, net	99,848	15,111	—	—	—	—	114,959
Total subordinated debt	1,421,079	202,561	—	—	—	—	1,623,640
Total long-term debt	1,568,539	277,246	16,789	7,232,953	—	—	9,095,527
Non-current liabilities:							
Asset retirement obligations	542,092	141,944	—	79,293	—	—	763,329
Competitive Trust obligations	—	—	—	—	226,797	—	226,797
Other	26,835	401	129	512	97	—	27,974
Total non-current liabilities	568,927	142,345	129	79,805	226,894	—	1,018,100
Current liabilities:							
Accounts payable	122,496	25,737	20,073	151,852	1,707	(3,031)	318,834
Construction liabilities	82,062	4,341	—	—	—	—	86,403
Current portion of long-term debt	119,159	25,375	4,520	121,030	—	—	270,084
Lines of credit and short-term debt	12,000	5,000	13,400	—	—	—	30,400
Competitive Trust obligations	—	—	—	—	360,960	—	360,960
Accrued interest	32,189	6,498	163	123,641	—	—	162,491
Total current liabilities	367,906	66,951	38,156	396,523	362,667	(3,031)	1,229,172
Commitments and contingencies (Note 7)	—	—	—	—	—	—	—
Total liabilities	2,505,372	486,542	55,074	7,709,281	589,561	(3,031)	11,342,799
Deferred inflows of resources	1,046,381	346,302	167,006	4,546	—	—	1,564,235
Total Liabilities and Deferred Inflows of Resources	\$3,551,753	\$832,844	\$222,080	\$7,713,827	\$589,561	\$ (3,031)	\$12,907,034

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

2025 CONSOLIDATED STATEMENT OF NET REVENUES

For the Year Ended December 31, 2025 (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	\$ 339,620	\$ 171,918	\$ 105,975	\$ 180,532	\$ —	\$ —	\$ 798,045
Other	107,296	29,401	(3,546)	389,434	—	—	522,585
Total revenues	446,916	201,319	102,429	569,966	—	—	1,320,630
Operating expenses:							
Fuel	67,535	51,982	53,952	41,104	—	—	214,573
Purchased power	79,813	—	—	—	—	—	79,813
Other generating and operating expense	155,861	60,971	40,862	132,283	—	—	389,977
Transmission	43,263	—	—	—	—	—	43,263
Depreciation and amortization	128,000	90,451	9,315	82,485	—	—	310,251
Total operating expenses	474,472	203,404	104,129	255,872	—	—	1,037,877
Net operating revenues (loss)	(27,556)	(2,085)	(1,700)	314,094	—	—	282,753
Non-operating expense (income), net:							
Interest expense	70,899	13,475	1,433	370,746	—	—	456,553
Amortization of debt discount and expense	(15,023)	(3,684)	(816)	(7,060)	—	—	(26,583)
Investment income	(33,947)	(6,563)	(2,323)	(33,993)	(81)	—	(76,907)
Net change in the fair value of financial instruments	(42,481)	(4,553)	6	(7,473)	—	—	(54,501)
Interest capitalized	(7,004)	(760)	—	(5,193)	—	—	(12,957)
U.S. Treasury cash subsidy on Build America Bonds	—	—	—	(54,069)	—	—	(54,069)
Total non-operating expense (income), net	(27,556)	(2,085)	(1,700)	262,958	(81)	—	231,536
Change in:							
Net costs to be recovered from Participants	—	—	—	51,136	—	—	51,136
Competitive Trust obligations	—	—	—	—	81	—	81
Total change in net costs to be recovered from Participants or Competitive Trust obligations	—	—	—	51,136	81	—	51,217
Net Revenues	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

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

2025 CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2025 (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Eliminations	Total
Cash flows from operating activities:							
Cash received from Participants	\$ 485,928	\$ 149,441	\$ 95,523	\$ 152,575	\$ (164)	\$ —	\$ 883,303
Cash received from others	130,422	39,533	(7,379)	404,287	—	—	566,863
Cash paid for operating expenses	(280,165)	(93,217)	(86,803)	(132,456)	(225)	—	(592,866)
Net cash provided by (used in) operating activities	336,185	95,757	1,341	424,406	(389)	—	857,300
Cash flows from investing activities:							
Sales and maturities of investment securities	314,436	72,953	4,738	203,156	323,294	—	918,577
Purchase of investment securities	(263,840)	(63,417)	(2,709)	(364,581)	(286,329)	—	(980,876)
Investment income receipts	28,581	5,510	2,348	27,533	15,967	—	79,939
Net withdrawals from the Competitive Trust	—	—	—	—	(43,143)	—	(43,143)
Net cash (used in) provided by investing activities	79,177	15,046	4,377	(133,892)	9,789	—	(25,503)
Cash flows from capital and related financing activities:							
Property additions	(264,712)	(46,382)	(16,640)	(44,090)	—	—	(371,824)
Net proceeds (payments) on lines of credit and other short-term debt	(2,735)	(5,565)	13,400	—	—	—	5,100
Proceeds from issuance of long-term debt	130,427	6,995	—	51,220	—	—	188,642
Retirement of long-term debt	(281,420)	(18,700)	(4,335)	(84,527)	—	—	(388,982)
Interest payments	(64,346)	(13,674)	(1,449)	(370,618)	—	—	(450,087)
U.S. Treasury cash subsidy on Build America Bonds	—	—	—	54,250	—	—	54,250
Net cash used in capital and related financing activities	(482,786)	(77,326)	(9,024)	(393,765)	—	—	(962,901)
(Decrease) increase in cash and cash equivalents	(67,424)	33,477	(3,306)	(103,251)	9,400	—	(131,104)
Cash and cash equivalents at beginning of year	502,375	84,478	49,259	591,778	16,604	—	1,244,494
Cash and cash equivalents at end of year	434,951	117,955	45,953	488,527	26,004	—	1,113,390
Other investment securities and accrued interest receivable at end of year	700,220	94,133	5,012	503,444	563,551	—	1,866,360
Special funds and supplemental power account at end of year	\$ 1,135,171	\$ 212,088	\$ 50,965	\$ 991,971	\$ 589,555	\$ —	\$ 2,979,750
Reconciliation of net operating revenues (loss) to net cash provided by (used in) operating activities:							
Net operating revenues (loss)	\$ (27,556)	\$ (2,085)	\$ (1,700)	\$ 314,094	\$ —	\$ —	\$ 282,753
Adjustments to reconcile net operating revenues (loss) to net cash from operating activities:							
Depreciation and amortization	172,583	98,039	9,315	123,629	—	—	403,566
Pensions and other postemployment benefits	3,347	1,049	313	895	—	—	5,604
Deferred inflows of resources	132,476	(31,769)	(18,141)	—	—	—	82,566
Change in current assets and liabilities:							
Accounts receivable	(7,455)	5,901	4,817	(2,987)	(164)	—	112
Fuel stocks	3,509	7,101	—	2	—	—	10,612
Materials, supplies and other assets	(6,276)	(763)	5,483	(59)	—	—	(1,615)
Accounts payable and other liabilities	65,557	18,284	1,254	(11,168)	(225)	—	73,702
Net cash provided by (used in) operating activities	\$ 336,185	\$ 95,757	\$ 1,341	\$ 424,406	\$ (389)	\$ —	\$ 857,300

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

2024 CONSOLIDATED BALANCE SHEET

December 31, 2024 ASSETS (in thousands)	Project One	General Resolution Projects	Combined Cycle Project	Vogle 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 derivative 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	Vogle 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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 this Note, "The Organization" (Note 1), section (D), "Vogle Units 3&4 Projects and Project Entities," (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). In addition, MEAG Power may purchase from, sell to or exchange with other bulk electric suppliers' additional capacity and energy in order to enhance the Participants' bulk power supply.

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

- Project One;
- General Resolution Projects;
- Combined Cycle Project;
- Vogle 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Inter-Participant Transfers (IPTs) are utilized by the Participants to improve their respective power supply resource mix. Four Participants have entered into long-term, life-of-the-facility IPTs to sell the rights to a portion of their Project One output (Selling Participants) to two 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 IPTs. Certain other short-term IPTs have been entered into by the Participants pertaining to their Project One or CC Project (as defined below) output.

(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

Plant Vogtle Unit No. 3 (Unit 3) and Plant Vogtle Unit No. 4 (Unit 4), are two nuclear generating units, 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 500.3 MW of nominally rated generating capacity, for the purpose of serving the future loads of the Participants.

MEAG Power, through the SPVs as its successors in interest, co-owns the units with Georgia Power Company (GPC), Oglethorpe Power Corporation (an Electric Membership Corporation) (OPC) and the City of Dalton, Georgia (Dalton). The 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, 2025 AND 2024

Project Structure and DOE Guaranteed Loans

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, 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 Participants 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 Amended and Restated Project P PPA (as amended, 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), respectively, 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 Bonds 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 Participants 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 Participants 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 Participants 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.

MEAG Power has financing options for both construction completion financing, the funding of post-COD capital projects, with respect to Project J and Project P. These 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 Project J PPA and the Project P PPA 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 PPAs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

DOE Loan Guarantee Program

In order to obtain an assured source of financing at a locked-in spread over United States Treasury (U.S. 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. In 2019, DOE increased the aggregate principal amount of guaranteed loan commitments to \$2.2 billion (collectively, 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. As of December 31, 2025 and 2024, the aggregate principal amount outstanding under the DOE Guaranteed Loans was \$2.0 billion and \$2.1 billion, respectively. 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 (as amended and restated, each an LGA) with DOE. Each LGA provides that the 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.

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.

Vogtle Units 3&4 Project Entities

In 2015, in order to permit each Vogtle Units 3&4 Project Entity to secure its 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, 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, certain previous agreements were amended 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 \$86.8 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 Production Tax Credits (PTCs), for their respective ownership interests in Unit 3 and Unit 4. 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 2025, and during the period from July 31, 2023 through December 31, 2024, for both Unit 3 and Unit 4, to GPC for an aggregate of \$65.0 million and \$71.4 million, respectively. 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. MEAG Power intends to apply the remaining 50 percent 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 includes the Reserve Funded Debt 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, 2025, with nearly all of the Participants participating, the net value of the investments in the Competitive Trust was \$589.6 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), 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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.”

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, 2025 and 2024, cash and cash equivalents totaled \$1.1 billion and \$1.2 billion, 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, 2025 and 2024, such changes were \$33.4 million and \$16.0 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 60.4 % and 62.7% of total revenues for the years ended December 31, 2025 and 2024, respectively. Three Participants collectively accounted for approximately 23% and 21% of Participant revenues in 2025 and 2024, respectively, with one Participant accounting for 9.9% of these revenues in 2025 and 7.6% in 2024.

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, 2025 and 2024, the excess revenues received and included in accounts payable on MEAG Power’s Consolidated Balance Sheet (Balance Sheet) were as follows (in thousands):

Year-end Settlement	2025	2024
Project One	\$ 8,222	\$ 23,077
General Resolution Projects	6,677	4,020
CC Project	1,356	2,371
Vogtle Unit 3&4 Projects and Project Entities	58,487	68,035
Total	\$ 74,742	\$ 97,503

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Year-end settlement amounts include excess revenues for Project J and Project P, which have been refunded to JEA and PowerSouth, respectively. Refunds for 2025 excess revenues will be processed beginning in the Second Quarter of 2026.

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,
- Section 45U Nuclear Production Tax Credit, as discussed in section (G) of this Note, "— Section 45U Nuclear Production Tax Credit,"
- PTCs pertaining to Vogtle Units 3&4, as discussed in Note 1 (D) "— Production Tax Credits," 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, 2025 and 2024, the remaining net book value of this regulatory asset, included in "Regulatory Assets/Other" in the table below, was \$162.1 million and \$149.0 million, respectively.

At December 31, 2025 and 2024, net costs to be recovered from Participants consisted of the following (in thousands):

NET COSTS TO BE RECOVERED FROM PARTICIPANTS

	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
December 31, 2025						
Timing Differences	\$ —	\$ —	\$ —	\$ (433,417)	\$ —	\$ (433,417)
Regulatory Assets:						
Capitalized interest	19,164	3,561	—	739,182	—	761,907
Other	116,471	54,185	—	—	—	170,656
Asset Retirement Obligation	—	—	—	(2,664)	—	(2,664)
Vogtle Units 3&4 Projects' and Project Entities' net non-operating expense	—	—	—	307,560	—	307,560
Other, net	—	—	—	(4,543)	—	(4,543)
Total net costs to be recovered from Participants	\$ 135,635	\$ 57,746	\$ —	\$ 606,118	\$ —	\$ 799,499

	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
December 31, 2024						
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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

At December 31, 2025 and 2024, deferred inflows of resources consisted of the following (in thousands):

Deferred Inflows of Resources

December 31, 2025	Project One	General Resolution Projects	Combined Cycle Project	Vogle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Timing Differences	\$ 593,628	\$ 293,922	\$ 144,345	\$ —	\$ —	\$ 1,031,895
Certain investment income	379,109	66,664	19,045	—	—	464,818
Asset retirement obligations	74,195	(19,501)	—	—	—	54,694
Other, net	(551)	5,217	3,616	4,546	—	12,828
Total deferred inflows of resources	\$ 1,046,381	\$ 346,302	\$ 167,006	\$ 4,546	\$ —	\$ 1,564,235

December 31, 2024	Project One	General Resolution Projects	Combined Cycle Project	Vogle 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

(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 until 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, 2025 and 2024, respectively, was total interest expense of \$456.6 million and \$471.2 million, of which \$13.0 million and \$122.9 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, 2025 and 2024, 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.

Depreciation expense for the PP&E components shown below, totaled \$279.7 million and \$264.4 million for the years ended December 31, 2025 and 2024, respectively, and is included in depreciation in the Statement of Net Revenues. Accumulated depreciation information is included in Note 3.

Generating Unit	Fuel	Rate	Other Property, Plant and Equipment	Rate
Hatch	Nuclear	2.03%	Transmission Plant	2.44%
Scherer	Coal	12.20%	Distribution Plant	2.90%
			General/	
Vogle Units 1&2	Nuclear	1.72%	Other Plant	2.5%-33.0%
Vogle Units 3&4	Nuclear	1.67%		
CC Facility	Natural Gas	2.86%		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(G) GENERATION AND TRANSMISSION FACILITIES

Jointly Owned Generation Facilities

At December 31, 2025, 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:

Facility	Ownership Percent			Total Ownership
	Project One	General Resolution Projects	Vogtle Units 3&4 Projects and Project Entities	
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 (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.

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 \$6.4 million in 2025, and \$6.7 million in 2024 for Project One, and \$1.8 million in 2025, and \$1.9 million in 2024 for the General Resolution Projects.

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. Although Vogtle Units 3&4 are covered by contracts with DOE relating to spent nuclear fuel, these contracts are not involved in this litigation.

On September 5, 2025, GPC filed a fifth round of lawsuits against the U.S. government in the U.S. Court of Federal Claims (the Court of Federal Claims), seeking damages for the costs of continuing to store spent nuclear fuel at Hatch Units 1&2 and Vogtle Units 1&2 for the period from January 1, 2020 through December 31, 2024. Damages will continue to accumulate until the issue is resolved, the U.S. government disposes of GPC's spent nuclear fuel pursuant

to its contractual obligations, or alternative storage is otherwise provided. No amounts have been recognized in MEAG Power's financial statements as of December 31, 2025, for any potential recoveries from any of these additional lawsuits, and the final outcome of these matters cannot be determined at this time.

In June and August, 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. These awards pertained to claims for the period from January 1, 2011, through December 31, 2019.

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 2025 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 (ISFSI) 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 mid-2030 on the Vogtle Units 3&4 ISFSI pad, haul path and Dry Cask Storage Support Building with completion scheduled in August 2031. Plant modifications for handling spent fuel loading equipment are scheduled to be completed in September 2028 for Unit 3 and December 2029 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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).

Section 45U Nuclear Production Tax Credit

The Inflation Reduction Act of 2022 established the Internal Revenue Code 45U, which provides a federal tax credit for electricity produced and sold to an unrelated person from qualified nuclear power facilities between January 1, 2024 through December 31, 2032. The credit may be reduced or eliminated if the facility’s realized gross receipts from electricity sales exceed specified statutory thresholds.

Eligible governmental or tax-exempt entities, such as MEAG Power, may elect to receive the credit as a direct payment from the U.S. Treasury, providing the entity pre-registers each qualified nuclear facility with the IRS and files its tax return by the extended due date.

In November 2025, MEAG Power timely filed its tax return for Hatch Units 1&2 and Vogtle Units 1&2 claiming a base credit of \$17 million, increased five-fold for meeting the prevailing wage requirements, resulting in a total claimed credit of \$84.8 million. Additional guidance from the U.S. Treasury is anticipated and the return is subject to audit (and rebate with interest) for up to three years.

In 2025, market prices increased significantly, and MEAG Power expects the base credit to be reduced to approximately \$6.4 million. Assuming prevailing wage requirements are met, MEAG Power expects to file its claim for a credit of \$32.1 million. Additional guidance from the U.S. Treasury could change these estimates, or result in filing an amended return, and returning any over collection.

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, 2025 and 2024, the debt outstanding with respect to MEAG Power’s interest in Plant Wansley was \$65.2 million and \$67.1 million, and the net book value of the regulatory asset was \$162.1 million and \$149.0 million, respectively.

Natural Gas Generating Facilities

As discussed in Note 1, section (C), “Combined Cycle Project,” MEAG Power wholly owns the CC Facility within the CC Project. MEAG Power has contracted with NAES 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 is 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 under the Revised and Restated Integrated Transmission System Agreement. This agreement requires each ITS owner to own a share of the total investment proportionate to its share of the aggregate system load. MEAG Power will make a parity payment if its investment percentage is less than its share of the system load and will receive a parity receipt if its investment percentage is more than its share of the system load.

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) automatic two-year renewals after a base term, with the current renewal term extending through December 31, 2027; (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 Standards or NERC CIP). Under these revisions, GPC also assumes the majority of MEAG Power’s associated monetary penalty risk

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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 of 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, 2026. 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 to terminate the agreement on any date prior to December 31, 2037. In accordance with the five-year notice requirement in its 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 such 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, 2025 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 output from jointly owned generating facilities 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, 2025 and 2024, sales and purchases with GPC under the PSSA agreement were (in thousands):

PSSA	2025	2024
Sales	\$ 21,916	\$ 34,905
Purchases	\$ 23,695	\$ 12,817

(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 2024 for all six nuclear generating units. Additional updates pertaining to coal ash ponds were received in 2025.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

MEAG Power's share of the ARO Measurement as of December 31, 2025 and 2024 was as follows (dollars in thousands):

December 31, 2025	Total ARO	ARO at MEAG Power's Ownership Percentage ⁽¹⁾
Nuclear	\$ 2,650,205	\$ 569,654
Coal ash	1,107,571	167,243
Other	158,349	26,432
Total	\$ 3,916,125	\$ 763,329

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

(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, 2025 and 2024, 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 - 2088	2047 - 2079	2063 - 2086
Estimated future costs ⁽¹⁾	\$ 416,413	\$ 514,839	\$ 384,293
Amount expended in 2025	\$ 11,722	\$ 11,671	\$ 3,963
Accumulated provision in external funds	\$ 384,110	\$ 372,674	\$ 14,840

(1) Estimated future costs are in 2024 dollars, consistent with estimates from the most recent cost studies.

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 2026 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 \$54.0 million and \$71.1 million for years ended December 31, 2025 and 2024, 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 \$(1.9) million and \$1.7 million as of December 31, 2025 and 2024, respectively, is recorded on the Balance Sheet in materials, supplies and other assets. The (decrease) increase in fair value of \$(3.6) million and \$4.4 million for 2025 and 2024, respectively, is recorded in deferred outflows of resources on the Balance Sheet.

Summary information pertaining to natural gas hedges as of December 31, 2025 and 2024 is as follows (dollars in thousands):

Contract Year	Notional Amount* December 31, 2025	Fair Value December 31, 2025	Latest Maturity Date
2026	6,340,000	\$ (1,672)	Dec 2026
2027	4,380,000	(123)	Dec 2027
2028	1,990,000	(109)	Dec 2028
Total	12,710,000	\$ (1,904)	

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)	July 2028
Total	13,480,000	\$ 1,733	

* In MMBtus (1 million British Thermal Units).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

The above natural gas hedges were entered into between September 2020 and December 2025 with immaterial total cash paid at inception for natural gas hedges outstanding at both December 31, 2025 and 2024. 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, 2025 and 2024 as follows:

	Counterparty Credit Rating		
	Fitch	Moody's	S&P
December 31, 2025	AA/A	Aa1/A2	AA-/BBB+
December 31, 2024	AA/A	Aa1/A2	AA-/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, 2025 and 2024 is included in the "Fuel Costs" section (I) of this Note and the "Other Financing Transactions" section of Note 5, "Long- and Short-Term Debt, Credit Agreements and Interest Rate Swaps" (Note 5), respectively.

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, 2025, thereby minimizing the credit risk to MEAG Power. The value of natural gas hedges in MEAG Power's favor totaled \$0.4 million. MEAG Power did not require collateral as of December 31, 2025 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025 AND 2024

MEAG Power's fair value measurements and their levels within the fair value hierarchy as of December 31, 2025 and 2024 were as follows (in thousands):

December 31, 2025	Total	Level 1	Level 2	Level 3
U.S. Treasury securities	\$ 642,182	\$ 642,182	\$ —	\$ —
U.S. government agency and agency-backed securities	824,746	—	824,746	—
Asset-backed securities	31,483	—	31,483	—
Corporate notes	156,419	—	156,419	—
Commercial mortgage-backed securities	13,031	—	13,031	—
Municipal bonds	13,632	—	13,632	—
Total investments by fair value level	1,681,493	\$ 642,182	\$ 1,039,311	\$ —
<i>Investments measured at the net asset value (NAV):</i>				
Common equity investment trusts	263,161			
<i>Investments measured at cost:</i>				
Money market mutual funds	878,095			
Cash/Other	157,001			
Total investments measured at cost	1,035,096			
Total special funds and supplemental power account	\$ 2,979,750			
<i>Derivative financial instruments:</i>				
Interest rate swaps	\$ (16,145)	\$ —	\$ (16,145)	\$ —
Natural gas hedges	(1,904)	(1,904)	—	—
Total derivative financial instruments	\$ (18,049)	\$ (1,904)	\$ (16,145)	\$ —

December 31, 2024	Total	Level 1	Level 2	Level 3
<i>Investments by fair value level:</i>				
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	\$ —
<i>Investments measured at the NAV:</i>				
Common equity investment trusts	227,268			
<i>Investments measured at cost:</i>				
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			
<i>Derivative financial instruments:</i>				
Interest rate swaps	\$ (14,436)	\$ —	\$ (14,436)	\$ —
Natural gas hedges	1,733	1,733	—	—
Total derivative financial instruments	\$ (12,703)	\$ 1,733	\$ (14,436)	\$ —

Common Equity Investment Trusts Measured at NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
December 31, 2025	\$ 263,161	\$ —	Daily, monthly	1–30 days
December 31, 2024	\$ 227,268	\$ —	Daily, monthly	1–30 days

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(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), ERM working group and personnel dedicated to the day-to-day execution of ERM activities. The ERM function is responsible for identifying and assessing risks throughout the organization and working with the EERMC and RMAC to monitor and mitigate significant risks identified through the risk-assessment process.

(N) RECENT ACCOUNTING PRONOUNCEMENTS

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, and did not impact MEAG Power's financial statements.

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.

In December 2025, GASB issued Statement No. 105, "Subsequent Events" (Statement 105). The objective of Statement 105 is to improve the financial reporting requirements for subsequent events by enhancing consistency in how governments identify and report those events. This increased consistency is intended to provide more useful information to the users of the governmental financial statements. Statement 105 was adopted by MEAG Power effective January 1, 2026 (see Note 8, "Subsequent Events").

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

3. PROPERTY, PLANT AND EQUIPMENT

PP&E activity for the years ended December 31, 2025 and 2024 is shown (in thousands) in the following table. Land is included in the electric component at a non-depreciable cost basis of \$47.8 million and \$45.1 million as of December 31, 2025 and 2024, respectively.

Property, Plant and Equipment	As of December 31, 2023	Increases	Decreases	As of December 31, 2024	Increases	Decreases	As of December 31, 2025
Project One							
Generation utility plant in service	\$ 2,430,667	\$ 19,174	\$ (20,140)	\$ 2,429,701	\$ 18,373	\$ (22,804)	\$ 2,425,270
Transmission utility plant in service	1,115,602	107,064	(8,403)	1,214,263	24,296	(2,113)	1,236,446
Less accumulated depreciation	(1,967,886)	(98,793)	28,339	(2,038,340)	(100,082)	24,917	(2,113,505)
Total utility depreciable plant, net	1,578,383	27,445	(204)	1,605,624	(57,413)	—	1,548,211
CWIP	177,761	154,450	(132,436)	199,775	209,178	(49,039)	359,914
Nuclear fuel, net	136,997	15,373	—	152,370	4,680	—	157,050
Total Project One	1,893,141	197,268	(132,640)	1,957,769	156,445	(49,039)	2,065,175
General Resolution Projects							
Generation utility plant in service	1,189,242	2,188	(4,394)	1,187,036	5,503	(7,025)	1,185,514
Less accumulated depreciation	(652,266)	(86,741)	4,394	(734,613)	(85,170)	7,025	(812,758)
Total utility depreciable plant, net	536,976	(84,553)	—	452,423	(79,667)	—	372,756
CWIP	17,395	19,888	(2,299)	34,984	28,002	(7,076)	55,910
Nuclear fuel, net	18,222	2,253	—	20,475	48	—	20,523
Total General Resolution Projects	572,593	(62,412)	(2,299)	507,882	(51,617)	(7,076)	449,189
Combined Cycle Project							
Generation utility plant in service	333,459	221	(162)	333,518	23,557	(12,468)	344,607
Less accumulated depreciation	(182,831)	(9,088)	162	(191,757)	(9,436)	12,468	(188,725)
Total utility depreciable plant, net	150,628	(8,867)	—	141,761	14,121	—	155,882
CWIP	9,660	409	—	10,069	16,640	(23,436)	3,273
Total Combined Cycle Project	160,288	(8,458)	—	151,830	30,761	(23,436)	159,155
Vogtle Units 3&4 Projects and Project Entities							
Generation utility plant in service	2,757,437	1,952,969	—	4,710,406	1,242,552	—	5,952,958
Less accumulated depreciation	(16,018)	(64,958)	—	(80,976)	(78,522)	—	(159,498)
Total utility depreciable plant, net	2,741,419	1,888,011	—	4,629,430	1,164,030	—	5,793,460
CWIP	3,130,432	71,800	(1,949,352)	1,252,880	38,212	(1,242,544)	48,548
Nuclear fuel, net	126,439	—	(24,843)	101,596	—	(14,543)	87,053
Total Vogtle Units 3&4 Projects and Project Entities	5,998,290	1,959,811	(1,974,195)	5,983,906	1,202,242	(1,257,087)	5,929,061
Total property, plant and equipment, net	\$ 8,624,312	\$ 2,086,209	\$ (2,109,134)	\$ 8,601,387	\$ 1,337,831	\$ (1,336,638)	\$ 8,602,580

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025, substantially all of MEAG Power's investments were in U.S. Treasury and agency securities that are rated Aa1 by Moody's and AA+ by S&P, and/or guaranteed by the issuer, which carries the Aa1/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 FEREC, 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, 2025 were (dollars in thousands):

Issuer	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank	\$ 288,454	9.68%
Federal Home Loan Bank	\$ 204,947	6.88%
S&P Index Securities	\$ 184,367	6.19%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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 materially 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, 2025 and 2024, maturities of special funds and the supplemental power account were as follows (in thousands):

December 31, 2025	Maturities (in years)						Total
	Under One	One — Three	Three — Seven	Seven — Ten	Over Ten	No Specific Maturity	
U.S. Treasury securities	\$ 409,416	\$ 89,793	\$ 80,264	\$ 36,180	\$ 26,529	\$ —	\$ 642,182
U.S. government agency and agency-backed securities	150,764	129,902	200,693	150,546	192,841	—	824,746
Asset-backed securities	—	11,284	13,870	4,102	2,227	—	31,483
Corporate notes	19,318	35,792	72,079	23,723	5,507	—	156,419
Commercial mortgage-backed securities	—	—	—	—	13,031	—	13,031
Common equity investment trusts	—	—	—	—	—	263,161	263,161
Municipal bonds	—	11,518	2,114	—	—	—	13,632
Money market mutual funds	878,095	—	—	—	—	—	878,095
Cash/Other	—	—	—	—	—	157,001	157,001
Total special funds and supplemental power account	\$ 1,457,593	\$ 278,289	\$ 369,020	\$ 214,551	\$ 240,135	\$ 420,162	\$ 2,979,750

December 31, 2024	Maturities (in years)						Total
	Under One	One — Three	Three — Seven	Seven — Ten	Over Ten	No Specific Maturity	
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

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

At December 31, 2025 and 2024, investments in special funds and the supplemental power account were classified on the Balance Sheet as follows (in thousands):

December 31, 2025	Project One	General Resolution Projects	Combined Cycle Project	Vogle Units 3&4 Projects and Project Entities	Municipal Competitive Trust	Total
Special funds, non-current:						
Decommissioning Trust	\$ 678,331	\$ 78,452	\$ —	\$ 14,840	\$ —	\$ 771,623
Construction fund	92,998	12,224	210	64,421	—	169,853
Debt Service fund — Reserve and Retirement accounts	26,959	12,478	6,876	501,984	—	548,297
Revenue and Operating fund	—	—	8,608	—	—	8,608
Reserve and Contingency fund	19,610	16,641	9,876	59,118	—	105,245
Competitive Trust:						
New Generation and Capacity Funding account	—	—	—	—	226,741	226,741
Reserve Funded Debt account	—	—	—	—	1,966	1,966
Total special funds, non-current	817,898	119,795	25,570	640,363	228,707	1,832,333
Special funds, current:						
Revenue and Operating fund	153,557	61,254	24,479	149,499	—	388,789
Debt Service fund — Debt Service account	16,754	8,786	916	191,624	—	218,080
Subordinated Debt Service fund — Debt Service accounts	112,512	22,253	—	—	—	134,765
Construction fund	20,157	—	—	10,485	—	30,642
Competitive Trust — Flexible Operating account	—	—	—	—	360,848	360,848
Total special funds, current	302,980	92,293	25,395	351,608	360,848	1,133,124
Supplemental power account	14,293	—	—	—	—	14,293
Total special funds and supplemental power account	\$ 1,135,171	\$ 212,088	\$ 50,965	\$ 991,971	\$ 589,555	\$ 2,979,750

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

December 31, 2024	Project One	General Resolution Projects	Combined Cycle Project	Vogle 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, 2025 AND 2024

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 pledged 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 and DOE Guaranteed Loans — 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, as applicable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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 is being amortized over the life of the refunding bonds.

On November 6, 2025, MEAG Power extended its irrevocable letter of credit with a commercial bank for Project One until November 6, 2029. The irrevocable letter of credit with another commercial bank for the General Resolution Projects remains in effect until November 17, 2026. As of December 31, 2025 and 2024, \$220.0 million and \$150.0 million, respectively, in irrevocable letters of credit were in effect to support CP notes. An interest portion of \$8.7 million and \$5.9 million related to the letters of credit was also available, as of December 31, 2025 and 2024, respectively. Any amount 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. As of December 31, 2025, an aggregate principal amount of \$95.6 million in CP were issued and outstanding (none as of December 31, 2024). 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, 2025 and 2024.

On November 4, 2025, 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 3, 2028 unless earlier

terminated, and subject to extension at the sole discretion of the applicable bank), in the aggregate, not to exceed \$175.0 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 as of both December 31, 2025 and 2024.

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, 2025 and 2024, 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, 2025, 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, 2025, 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 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 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 DOE Guaranteed Loan.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025 was 5.7% and is also 5.7% for the federal fiscal year ending September 30, 2026.

For information pertaining to DOE Guaranteed Loans, see Note 1 (D) “— Structure and DOE Guaranteed Loans— 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 credit agreements were subsequently amended on various dates, most recently on December 23, 2025, and the commitments thereunder were increased to \$70.0 million, \$105.0 million and \$75.0 million for Project M, Project J and Project P, 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 22, 2028), 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, 2025 and 2024 were (in thousands):

Lines of Credit and Short-term Debt	Balance December 31, 2023			Balance December 31, 2024			Balance December 31, 2025
	Balance	Proceeds	Payments	Balance	Proceeds	Payments	
Project One	\$ 18,000	\$ 13,735	\$ 17,000	\$ 14,735	\$ 32,100	\$ 34,835	\$ 12,000
General Resolution Projects	7,000	3,565	—	10,565	2,100	7,665	5,000
CC Project	—	—	—	—	13,400	—	13,400
Total	\$ 25,000	\$ 17,300	\$ 17,000	\$ 25,300	\$ 47,600	\$ 42,500	\$ 30,400

MEAG Power had unused Lines of Credit of \$42.1 million and \$47.2 million as of December 31, 2025 and 2024, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025 and 2024, 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 \$16.3 million and \$14.6 million as of December 31, 2025 and 2024, 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, 2025 and 2024, a fair value (decrease) increase of \$ (1.7) million and \$14.0 million, respectively, was recorded in deferred outflows of resources on the Balance Sheet, see Note 2, section (K), “Derivative Financial Instruments.”

The terms of the interest rate swap agreements outstanding as of December 31, 2025 and 2024 were as follows (dollars in thousands):

Project	Notional Amount Outstanding December 31, 2025	Interest Rate*		Term Dates		Counterparty 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	AA-	A1	A-
Total	\$ 147,650							

Project	Notional Amount Outstanding December 31, 2024	Interest Rate*		Term Dates		Counterparty 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							

* 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, 2025 AND 2024

Long-Term Debt Activity

Changes in long-term debt during the years ended December 31, 2025 and 2024 were (in thousands):

Senior and Subordinated Debt	As of December 31, 2023	Increases	Decreases	As of December 31, 2024	Increases	Decreases	As of December 31, 2025
Project One							
Power Revenue bonds	\$ 289,315	\$ —	\$ (29,210)	\$ 260,105	\$ —	\$ (102,965)	\$ 157,140
Unamortized (discount) premium, net	9,790	—	(1,748)	8,042	91	(3,873)	4,260
Subordinated debt	1,250,032	502,187	(285,924)	1,466,295	139,110	(178,955)	1,426,450
Unamortized (discount) premium, net	93,752	41,516	(14,087)	121,181	6	(21,339)	99,848
Total Project One	1,642,889	543,703	(330,969)	1,855,623	139,207	(307,132)	1,687,698
General Resolution Projects							
General Power Revenue bonds	93,520	—	(6,905)	86,615	—	(5,875)	80,740
Unamortized (discount) premium, net	2,449	—	(507)	1,942	13	(520)	1,435
Subordinated debt	210,765	34,200	(33,805)	211,160	7,000	(12,825)	205,335
Unamortized (discount) premium, net	20,104	2,219	(3,618)	18,705	6	(3,600)	15,111
Total General Resolution Projects	326,838	36,419	(44,835)	318,422	7,019	(22,820)	302,621
Combined Cycle Project							
Combined Cycle Project Revenue bonds	45,005	—	(21,115)	23,890	—	(4,335)	19,555
Unamortized (discount) premium, net	4,139	—	(1,512)	2,627	—	(873)	1,754
Total Combined Cycle Project	49,144	—	(22,627)	26,517	—	(5,208)	21,309
Vogle Units 3&4 Projects and Project Entities							
Vogle Units 3&4 Projects Revenue bonds	5,145,615	69,800	(42,950)	5,172,465	54,460	(52,125)	5,174,800
Unamortized (discount) premium, net	178,993	244	(10,572)	168,665	244	(10,094)	158,815
DOE Guaranteed Loans	2,090,701	—	(34,691)	2,056,010	—	(35,642)	2,020,368
Total Vogle Units 3&4 Projects and Project Entities	7,415,309	70,044	(88,213)	7,397,140	54,704	(97,861)	7,353,983
Total senior and subordinated debt	\$ 9,434,180	\$ 650,166	\$ (486,644)	\$ 9,597,702	\$ 200,930	\$ (433,021)	\$ 9,365,611

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025 and 2024, MEAG Power's long-term debt consisted of the following (in thousands):

Project One	2025	2024
Power Revenue Bonds (senior):		
Series BB	\$ —	\$ 2,960
Series EE	—	27,725
Series GG	—	63,295
Series HH	146,755	152,585
Taxable Series Four	10,385	13,540
Total	157,140	260,105
Unamortized (discount) premium, net	4,260	8,042
Total Power Revenue Bonds outstanding	161,400	268,147
Subordinated debt:		
Series 2005A-1 - Taxable fixed rate	30,075	36,000
Series 2007B - Taxable fixed rate	8,565	9,180
Series 2008B - Variable rate	148,065	148,065
Series 2015A - Fixed rate	5,950	110,035
Series 2015A - Fixed rate Capital Appreciation Bonds (CABs)	10,091	10,091
Series 2016A - Fixed rate	195,755	199,795
Series 2019A - Fixed rate	211,220	218,705
Series 2020A - Fixed rate	115,770	119,470
Series 2021A - Fixed rate	136,015	136,015
Series 2021B - Taxable fixed rate	95,335	98,440
Series 2024A - Fixed rate	376,705	376,705
Series B BANS - Tax Exempt variable rate CP	88,610	—
Total	1,422,156	1,462,501
Accretion of CABs	4,294	3,794
Unamortized (discount) premium, net	99,848	121,181
Total subordinated debt	1,526,298	1,587,476
Total senior and subordinated debt	1,687,698	1,855,623
Current portion of long-term debt	(119,159)	(81,009)
Total Project One long-term debt	\$1,568,539	\$1,774,614
General Resolution Projects	2025	2024
General Power Revenue Bonds (senior):		
1993B Series	\$ —	\$ 10
2012B Series	3,735	3,965
2018A Series	58,465	58,465
Taxable 2012A Series	18,540	24,175
Total	80,740	86,615
Unamortized (discount) premium, net	1,435	1,942
Total General Power Revenue Bonds outstanding	82,175	88,557
Subordinated debt:		
Series 2007A - Taxable fixed rate	17,235	18,470
Series 2015A - Fixed rate	7,240	7,725
Series 2016A - Fixed rate	41,595	47,265
Series 2019A - Fixed rate	5,300	6,200
Series 2020A - Fixed rate	47,260	50,225
Series 2021A - Fixed rate	41,545	42,115
Series 2021B - Taxable fixed rate	16,460	17,460
Series 2024A - Fixed rate	21,700	21,700
Series B BANS - Tax Exempt variable rate CP	7,000	—
Total	205,335	211,160
Unamortized (discount) premium, net	15,111	18,705
Total subordinated debt	220,446	229,865
Total senior and subordinated debt	302,621	318,422
Current portion of long-term debt	(25,375)	(21,615)
Total General Resolution Projects long-term debt	\$ 277,246	\$ 296,807

Combined Cycle Project	2025	2024
Revenue bonds (senior):		
Series 2020A	\$ 19,555	\$ 23,890
Unamortized (discount) premium, net	1,754	2,627
Total senior bonds outstanding	21,309	26,517
Current portion of long-term debt	(4,520)	(4,335)
Total Combined Cycle Project long-term debt	\$ 16,789	\$ 22,182
Vogtle Units 3&4 Projects and Project Entities	2025	2024
Revenue bonds (senior):		
Series 2010A, Project J - Taxable (Build America Bonds)	\$1,133,645	\$1,149,130
Series 2015A, Project J	185,180	185,180
Series 2019A, Project J	560,200	564,560
Series 2021A, Project J	146,815	148,040
Series 2022A, Project J	208,815	210,450
Series 2023A, Project J	190,870	192,370
Series 2023B, Project J	52,900	30,000
Series 2010A, Project M - Taxable (Build America Bonds)	934,815	947,545
Series 2019A, Project M	441,600	445,635
Series 2021A, Project M	80,715	81,515
Series 2022A, Project M	50,500	50,850
Series 2023A, Project M	127,040	128,035
Series 2023B, Project M	27,700	13,500
Series 2010A, Project P - Taxable (Build America Bonds)	356,495	361,115
Series 2015A, Project P	69,245	69,245
Series 2019B, Project P	261,130	263,360
Series 2021A, Project P	61,835	62,615
Series 2022A, Project P	50,405	50,405
Series 2022B, Project P - Taxable	60,330	60,965
Series 2023A, Project P	61,665	61,665
Series 2023B, Project P - Taxable	69,240	69,985
Series 2023C, Project P	17,160	4,800
Series 2023D, Project P - Taxable	26,500	21,500
Total	5,174,800	5,172,465
Unamortized (discount) premium, net	158,815	168,665
Current portion of long-term debt	(84,480)	(81,490)
Total Vogtle Units 3&4 Bonds	5,249,135	5,259,640
DOE Guaranteed Loans:		
Federal Financing Bank, SPVJ - Fixed rate	323,003	331,294
Federal Financing Bank, SPVJ - Variable rate	295,052	299,166
Federal Financing Bank, SPVM - Fixed rate	372,575	378,812
Federal Financing Bank, SPVM - Variable rate	268,670	272,946
Federal Financing Bank, SPVP - Fixed rate	561,535	572,029
Federal Financing Bank, SPVP - Variable rate	199,533	201,763
Total	2,020,368	2,056,010
Current portion of long-term debt	(36,550)	(35,642)
Total DOE Guaranteed Loans	1,983,818	2,020,368
Total Vogtle Units 3&4 Projects and Project Entities long-term debt	\$7,232,953	\$7,280,008

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Debt Service*

At December 31, 2025, 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 \$1.1 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 \$3.1 billion for interest net of subsidy payments on the Build America Bonds), were as follows (in thousands):

Year	Project One		General Resolution Projects		Combined Cycle Project		Vogtle Units 3&4 Projects and Project Entities		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 13,940	\$ 7,580	\$ 7,490	\$ 3,779	\$ 4,560	\$ 940	\$ 31,533	\$ 94,299	\$ 164,121
2027	5,500	6,891	8,010	3,422	4,801	712	32,740	92,410	154,486
2028	5,770	6,620	8,415	3,033	5,049	472	33,991	90,865	154,215
2029	2,255	6,332	4,252	2,618	4,392	220	35,289	89,463	144,821
2030	2,675	5,963	2,130	2,448	—	—	36,647	87,062	136,925
2031 - 2035	23,134	27,437	12,260	10,626	—	—	205,558	410,503	689,518
2036 - 2040	32,587	21,313	14,445	7,862	—	—	458,430	364,663	899,300
2041 - 2045	25,900	14,138	—	6,125	—	—	823,449	614,341	1,483,953
2046 - 2050	45,379	5,723	23,738	3,570	—	—	1,067,946	863,244	2,009,600
2051 - 2055	—	—	—	—	—	—	1,350,996	594,008	1,945,004
2056 - 2060	—	—	—	—	—	—	960,718	254,255	1,214,973
2061 - 2065	—	—	—	—	—	—	230,540	31,669	262,209
Total	\$157,140	\$101,997	\$80,740	\$43,483	\$18,802	\$2,344	\$5,267,837	\$3,586,782	\$9,259,125

*Debt service is presented on an accrual basis.

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, 2025 AND 2024

At December 31, 2025, scheduled debt service payments, including CABs, which are accreted through December 31, 2025, for the subordinated debt were as follows (in thousands):

Year	Project One			General Resolution Projects		
	Principal	Interest	Net Swap Cash Flows	Principal	Interest	Total
2026	\$ 78,694	\$ 66,614	\$ 2,931	\$ 8,575	\$ 9,547	\$ 166,361
2027	44,532	57,629	2,931	21,290	9,087	135,469
2028	35,468	55,568	2,931	16,965	8,163	119,095
2029	51,377	52,918	2,931	13,970	7,260	128,456
2030	49,500	51,195	2,931	15,545	6,525	125,696
2031 - 2035	278,737	224,882	14,397	88,280	19,719	626,015
2036 - 2040	235,458	152,354	11,007	21,770	5,024	425,613
2041 - 2045	176,133	104,363	5,911	5,510	2,114	294,031
2046 - 2050	250,770	54,131	647	6,430	1,143	313,121
2051 - 2055	47,307	9,214	—	198,335	66,627	321,483
Total	\$1,247,976	\$828,868	\$ 46,617	\$396,670	\$135,209	\$2,655,340

*Debt service is presented on an accrual basis.

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, 2025 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, 2025 AND 2024

For 2025 and 2024, 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 (in thousands):

2025	Project One	General Resolution Projects	Combined Cycle Project	Vogtle Units 3&4 Projects and Project Entities	Total
Total revenues	\$ 446,916	\$ 201,319	\$ 102,429	\$ 569,966	\$ 1,320,630
Deferred inflows of resources ⁽¹⁾	132,476	(31,769)	(18,141)	—	82,566
Revenues received in excess of expenses and required deposits ⁽²⁾	8,222	6,677	1,356	58,487	74,742
Adjusted revenues	\$ 587,614	\$ 176,227	\$ 85,644	\$ 628,453	\$ 1,477,938
Operating expenses (excluding depreciation and amortization)	\$ 346,472	\$ 112,953	\$ 77,147	\$ 173,387	\$ 709,959
Total investment income	\$ 33,947	\$ 6,564	\$ 2,323	\$ 33,993	\$ 76,827
Excluding Decommissioning Trust income ⁽³⁾	(22,068)	(2,606)	—	(311)	(24,985)
Including subsidy received on Build America Bonds	—	—	—	54,030	54,030
Total other income	\$ 11,879	\$ 3,958	\$ 2,323	\$ 87,712	\$ 105,872
Available amounts to pay debt service	\$ 253,021	\$ 67,231	\$ 10,820	\$ 542,778	\$ 873,850
Amounts released from DSRA ⁽⁴⁾	24,720	40	448	—	25,208
Amounts drawn for capitalized interest ⁽⁵⁾	7,004	760	—	5,193	12,957
Total amounts available to pay debt service	\$ 284,745	\$ 68,031	\$ 11,268	\$ 547,971	\$ 912,015
Total Senior Debt Service ⁽⁶⁾	\$ 21,520	\$ 11,269	\$ 5,768	\$ 440,518	\$ 479,075
Senior Debt Service Coverage	13.23	6.04	1.95	1.24	1.90
Total Subordinated Debt Service ⁽⁶⁾	\$ 147,957	\$ 24,666	\$ —	\$ —	\$ 172,623
Total Debt Service ⁽⁶⁾	\$ 169,477	\$ 35,935	\$ 5,768	\$ 440,518	\$ 651,698
Debt Service Coverage on Total Debt Service	1.68	1.89	1.95	1.24	1.40

(1) Deferred inflows of resources represent, among other things, Timing Differences (see Note 2 (D)).

(2) Amounts returned to Participants through year-end settlement, see Note 2 (C) "Revenues—Year-End Settlement."

(3) Income on funds reserved for the decommissioning of nuclear generating units at retirement.

(4) Planned fund releases from reserves for debt service.

(5) Amounts on hand to fund interest expense during construction of facilities.

(6) 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, 2025 AND 2024

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.

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 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, 2026, any employee hired before January 1, 2014, who had attained age 25 with at least one year of service, was eligible to participate in the Retirement Plan. Any employee hired on or after January 1, 2014, and before January 1, 2026 (Freeze Period) was not eligible to participate in the Retirement Plan, but participated in MEAG Power's Defined Contribution Plan, and received a non-match, employer paid contribution to the employee's 403(b) account.

Effective January 1, 2026, the previously closed Retirement Plan was reopened with certain modifications, and the non-match employer paid contribution was discontinued. Under the reopened Retirement Plan: a) employees hired during the Freeze Period and still employed on January 1, 2026, had a one-time option to purchase all or partial prior service credit, on a cost neutral basis to MEAG Power, b) the retirement formula was enhanced to a maximum benefit of 70% of Final Average Earnings (FAE) (with legacy Retirement Plan employees eligible to earn additional service credit on a prospective basis), and c) the definition of compensation was simplified to only include annual base pay.

Under the reopened, modified Retirement Plan, a Plan participant is any employee: a) hired before January 1, 2014, or on or after January 1, 2026 or b) hired during the Freeze Period who exercised their option to purchase all or partial prior service credit, as discussed above. Effective January 1, 2026, 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 FAE multiplied by years of benefit service (Benefit Service) (up to a maximum of 30 years, with an FAE factor of 2.0% for years 26-30), if employed as of February 1, 1991, or 2.0% of FAE multiplied by Benefit Service (up to a maximum of 35 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(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, 2025 and 2024 were:

Plan participants	2025	2024
Active	124	54
Inactive, vested	63	69
Retirees and beneficiaries	167	160
Total	354	283

Net Pension Liability

MEAG Power's net pension liability was measured as of December 31, 2025 and 2024, 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, 2025 and 2024 (in thousands):

	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at December 31, 2024	\$ 75,168	\$ 79,753	\$ (4,585)
<i>Changes for the year:</i>			
Service cost	462	—	462
Interest on the total pension liability	5,485	—	5,485
Change of benefit terms	4,843	—	4,843
Difference between expected and actual experience	(562)	—	(562)
Assumption changes	—	—	—
MEAG Power contributions - employer	—	775	(775)
MEAG Power contributions - employee	—	2,811	(2,811)
Net investment income	—	10,953	(10,953)
Benefit payments	(4,139)	(4,139)	—
Administrative expenses	—	—	—
Net change	6,089	10,400	(4,311)
Balance at December 31, 2025	\$ 81,257	\$ 90,153	\$ (8,896)

	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at December 31, 2023	\$72,614	\$ 74,894	\$(2,280)
<i>Changes for the year:</i>			
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)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Actuarial Assumptions and Methods

The assumptions used to measure the total pension liability as of December 31, 2025 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, 2025, 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*
Broad U.S. Equity	45%	7.35%
International Equity	15%	7.25%
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, 2025 and 2024 were as follows (in thousands):

Mutual Funds:	2025	2024
U.S. Equity Index Fund	\$25,987	\$ 23,937
Mid-Cap Index Fund	8,775	8,059
Small-Cap Index Fund	4,351	4,033
Diversified International Fund	13,337	11,583
Aggregate Bond Fund	26,058	23,893
Total Bond Fund	8,834	8,244
Institutional Government Portfolio	—	4
Cash - Employee one-time contribution	2,811	—
Total	\$90,153	\$ 79,753

Discount Rate

The discount rate used to measure the total pension liability as of December 31, 2025 and 2024 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):

	1% Lower 6.5%	Current Discount Rate 7.5%	1% Higher 8.5%
Net Pension Liability			
December 31, 2025	\$ (315)	\$(8,896)	\$(16,195)
December 31, 2024	\$ 3,132	\$(4,585)	\$(11,172)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025, and 2024, MEAG Power recognized pension expense of \$2.7 million and \$1.8 million, respectively. At December 31, 2025 and 2024, the Retirement Plan reported deferred outflows of resources and deferred inflows of resources from the following sources (in thousands):

Deferred Outflows (Inflows) of Resources	2025	2024
Differences between expected and actual experience	\$ (355)	\$ 52
Assumption changes	—	—
Net difference between projected and actual earnings on Retirement Plan investments	(3,490)	2,364
Total	\$(3,845)	\$2,416

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
2026	\$ 1,407
2027	(2,691)
2028	(1,537)
2029	(1,024)
2030	—
Total	\$(3,845)

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 \$1.5 million and \$1.3 million for years ended December 31, 2025 and 2024, respectively.

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, 2025 AND 2024

Employees Covered by the Plan

At December 31, 2025 and 2024 the following participants were covered by the Plan benefits:

	2025	2024
Active employees	139	135
Retired employees or beneficiaries	82	79
Total	221	214

Actuarial Assumptions

Actuarial assumptions used to determine MEAG Power's OPEB liability, measured as of December 31, 2025 and 2024, were as follows:

Salary Increases	4.00%
Discount Rate	4.41% for December 31, 2025 actuarial valuation
Healthcare cost	Effective January 1, 2026, indexed annually to remain consistent with the prior year percentage increase in the Medicare Part B Base Premium in effect from year to year.
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, 2025 and 2024 were as follows (in thousands):

	2025	2024
Beginning total OPEB Liability	\$ 8,677	\$8,897
Changes for the year:		
Service cost	223	246
Interest	354	329
Change of benefit terms	3,417	—
Differences between expected and actual experience	(66)	(65)
Benefits payments	(347)	(337)
Changes of assumptions or other inputs	(239)	(393)
Net changes	3,342	(220)
Ending total OPEB liability	\$12,019	\$8,677

Changes of assumptions or other inputs reflect an increase in the discount rate from 4.16% to 4.41%.

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

MEAG Power's OPEB expense was \$2.9 million and \$(0.4) million for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, 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	2025	2024
Differences between expected and actual experience	\$ (636)	\$ (1,110)
Changes of assumptions or other inputs	(765)	(1,102)
Total	\$ (1,401)	\$ (2,212)

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
2026	\$ (925)
2027	(294)
2028	(124)
2029	(58)
2030	—
Total	\$ (1,401)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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, 2025 and 2024 (in thousands):

Discount Rate Sensitivity

	December 31, 2025		
		Current	
	1% Decrease	Discount Rate	1% Increase
	3.41%	4.41%	5.41%
Total OPEB Liability	\$13,696	\$12,019	\$10,645

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

Healthcare Cost Trend Rate Sensitivity

	December 31, 2025		
		Current Rate	
	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$10,942	\$12,019	\$13,291

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

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 at each site. The excess property insurance provides coverage limits up to \$1.25 billion at each site above the primary property coverage levels. The excess non-nuclear property insurance policies each provide coverage of up to \$750.0 million per generating site in excess of \$1.5 billion.

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, 2025, could be as much as \$24.6 million for primary, excess property insurance and excess non-nuclear property, and \$11.5 million for replacement power and other costs.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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 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 2026 through 2028 total \$30.1 million. For the years beginning 2026 through 2032, nuclear fuel commitments total \$153.4 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. 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 seven long-term natural gas purchase agreements with the Municipal Gas Authority of Georgia (see table below for details) for gas sourced through seven 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 Natural Gas Purchase Agreements							
Entered Date	Begin Date	End Date	Take and Pay/mm Btus 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, 2026 - September 30, 2027	\$ 5.3 million	
March 17, 2022	August 1, 2022	July 31, 2052	3,898	6%	January 1, 2026-October 31, 2029	\$18.8 million	
January 23, 2024	April 1, 2024	June 30, 2053	10,014	14%	January 1, 2026 - July 31, 2031	\$63.4 million	
March 26, 2024	November 1, 2024	June 30, 2053	4,995	7%	January 1, 2026 - January 31, 2032	\$35.3 million	
June 25, 2024	November 1, 2024	June 30, 2053	9,003	13%	January 1, 2026 - October 31, 2031	\$60.7 million	
March 20, 2025	November 1, 2025	June 30, 2053	5,584	8%	January 1, 2026 - April 30, 2032	\$42.6 million	
July 17, 2025	November 1, 2025	June 30, 2053	5,635	8%	January 1, 2026 - October 31, 2035	\$65.3 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 \$2.5 million through December 31, 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Long-Term Purchases and Sales of Power

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. In August 2025, the agreement was extended through December 31, 2030, and 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 eleven 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.

In September 2025, MEAG Power entered into a power purchase agreement, for firm energy of 20 MW of supplemental power benefiting one Participant, effective January 1, 2026, through December 31, 2028.

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 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 set of actions tied to the energy sector and public power specifically. EPA stated that it would reconsider various environmental regulations, including air, water and waste rules that affect the power sector. This includes numerous regulations that impact MEAG Power's fossil fueled generating assets, as discussed within the applicable sections of this Note.

Revising or eliminating the rules will require rulemaking processes that may take several years to complete. Also, litigation could lengthen the timeline for revising or eliminating the regulations. Deregulatory actions resulting from this reconsideration 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 \$685.4 million from 2000 through 2025 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 2026 through 2030, 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 \$47.3 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

Greenhouse Gas Regulation

On April 25, 2024, EPA finalized certain rules, including: the repeal of the Affordable Clean Energy rule; GHG emission guidelines for existing fossil fueled generating units; New Source Performance Standards for Greenhouse Gases emissions from new and reconstructed fossil fueled combustion turbines; and revisions to the standards of performance for new, modified, and reconstructed fossil fueled steam generating units.

Existing fossil fueled 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 Carbon Capture and Sequestration (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 questions regarding the demonstration of CCS technology and demonstrated, available carbon storage capability, the rule was forecasted to drive an industry-wide shift away from coal-fired generation. Several legal challenges were 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 EPA’s 2019 “Endangerment Finding” whereby EPA determined that greenhouse gases threaten public health and welfare.

In June 2025, EPA proposed to repeal the final GHG rule and eliminate all of the requirements for existing coal Units. GPC is still evaluating 100 percent gas conversion studies for operation flexibility. A semi-annual status report was filed by GPC with the Georgia Public Service Commission (GPSC) on March 31, 2026.

In July 2025, the EPA released a new proposed rule titled “Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards.” In February 2026, the EPA finalized the proposed rule which repeals the 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards. The repeal undermines the basis for regulating GHGs under the CAA. Numerous groups have filed petitions with the D.C. Circuit to review the repeal of the Endangerment Finding. Any impacts of the foregoing on federal regulation of GHGs remains uncertain pending potential future regulatory action and litigation. On April 13, 2026, EPA proposed revisions to federal CCR regulations that would: (1) exempt CCR dewatering structures and update requirements for legacy CCR surface impoundments and management units; (2) establish a site-specific permitting pathway addressing groundwater monitoring, corrective action standards, and closure requirements/timelines, including allowing CCR extraction for beneficial use during post-closure care; (3) revise the definition of beneficial use by removing the environmental demonstration requirement for large-scale unencapsulated non-roadway uses, define “CCR storage pile,” and exclude certain beneficial uses from regulation; and (4) announce a forthcoming 30-day reopening of the public comment period for the proposed Federal CCR permit program rule.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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. On January 10, 2025, EPA withdrew the 2024 final direct rule.

Air Regulation

On April 24, 2023, and as a result of its residual risk and technology review, EPA proposed a rule that revises the Mercury and Air Toxic Standards (MATS) for coal- and oil-fired steam electric generating units (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. GPC has procured the continuous CEMS monitoring equipment for fPM and is undertaking a pilot study to investigate the best operating procedures for compliance. Scherer Units 1&2 were granted a presidential exemption that delayed the compliance date to 2029. On February 19, 2026, EPA published a final rule repealing certain amendments from the 2024 MATS rule, including the revised fPM emission standard, revised fPM compliance demonstration requirements, and the revised mercury emission limit. The new rule reverts each of the forgoing standards, requirements and limits to those set forth in the original 2012 MATS rule. Legal challenges to the rule have been filed challenging the repeal.

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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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.

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, 2026, 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. On February 6, 2026, EPA issued the CCR Management Units final rule extending key compliance deadlines.

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 was 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 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 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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. On December 31, 2025, EPA issued a final rule extending compliance deadlines for the 2024 ELG requirements for steam electric power plants. This rule pushes back various compliance dates originally set in the 2024 rule and allows more time for facilities to meet pretreatment and reporting requirement. It also updates provisions to allow facilities to switch between compliance options and get site-specific alternative dates. Finally, it includes a No Action Assurance policy for certain ELG violations while facilities work toward compliance under the extended schedule.

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. On November 20, 2025, EPA and the Army Corps jointly published a proposed update to the definition of "Waters of the United States" to clarify and revise which waters are federally regulated under the CWA. This rulemaking will align EPA and Army Corps regulations with the U.S. Supreme Court's 2023 *Sackett v. EPA* decision.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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.

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. MEAG Power's eligibility to obtain OATT transmission service from FERC jurisdiction public utilities never has been challenged.

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 have executed updates to applicable sections of the ITS Operation Agreement, most recently on 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 a compliance and monetary penalty risk.

MEAG Power has CFRs with GPC covering certain O&P functions relating to MEAG Power's transmission facilities, which are part of the ITS. Both parties have executed updates to applicable sections of the ITS Operation Agreement, most recently on December 17, 2025, to reflect each party's respective compliance responsibilities associated with all current NERC O&P Standards. Through this agreement and associated NERC CFRs, GPC has agreed to undertake certain NERC reliability obligations associated with these transmission facilities.

In the first half of 2025, SERC conducted an O&P spot check on MEAG Power related to 17 NERC Reliability Standards. The spot check period was from March 5, 2022, through January 6, 2025. There was one non-compliance finding that was determined to be Compliance Exception with no financial penalty.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

In the second half of 2025, SERC conducted a joint CIP NERC Reliability Standards audit with MEAG Power, GPC, and Southern Company. The audit period spanned the period of October 11, 2021, to July 15, 2025. There were no findings pertaining to MEAG Power within this audit.

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. On April 11, 2025, FERC issued Order No. 1920-B, an order on rehearing and clarification that largely sustained the requirements of Orders Nos. 1920 and 1920-A, while providing further clarification on certain issues raised on rehearing, including clarifying that transmission providers may voluntarily conduct planning with non-jurisdictional transmission providers. Order No. 1920-B requires transmission providers to propose a date, no later than two years from the date on which initial compliance filings are due, to commence the first Long-Term Regional Transmission Planning cycle. Compliance filings for transmission providers were due in June 2025 under FERC guidance. Orders Nos. 1920, 1920-A and 1920-B continue to be subject to judicial review. MEAG Power has the ability to revise its OATT to maintain reciprocity, but it does not believe that the requirements of Order Nos. 1920, 1920-A, and 1920-B 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 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."

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. 105, "Subsequent Events", which supersedes 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 transactions and other events which may constitute a subsequent event through May 21, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

(UNAUDITED)

Retirement Plan

Schedule of Changes in Net Pension Liability and Related Ratios

(dollars in thousands):

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<i>Total pension liability</i>										
Service cost	\$ 462	\$ 530	\$ 576	\$ 654	\$ 659	\$ 692	\$ 703	\$ 769	\$ 795	\$ 904
Interest on the total pension liability	5,485	5,300	5,141	4,965	4,735	4,607	4,334	4,189	4,152	4,040
Change of benefit terms	4,843	—	—	—	—	—	—	—	—	—
Difference between expected and actual experience	(562)	684	300	435	1,064	(112)	295	(183)	(212)	(661)
Assumption changes	—	—	—	—	101	(233)	1,277	(136)	(915)	(273)
Benefit payments	(4,139)	(3,960)	(3,830)	(3,588)	(3,426)	(3,054)	(2,883)	(2,557)	(2,540)	(2,269)
Net change in total pension liability	6,089	2,554	2,187	2,466	3,133	1,900	3,726	2,082	1,280	1,741
Total pension liability — beginning of year	75,168	72,614	70,427	67,961	64,828	62,928	59,202	57,120	55,840	54,099
Total pension liability — end of year (a)	81,257	75,168	72,614	70,427	67,961	64,828	62,928	59,202	57,120	55,840
<i>Plan fiduciary net position</i>										
MEAG Power contributions	\$ 775	\$ 775	\$ 775	\$ 775	\$ 775	\$ 100	\$ 775	\$ 775	\$ 3,141	\$ 934
MEAG Power employees' contributions	2,811	—	—	—	—	—	—	—	—	—
Net investment income	10,953	8,044	9,992	(14,515)	10,114	10,130	12,594	(2,643)	8,098	3,969
Benefit payments	(4,139)	(3,960)	(3,830)	(3,588)	(3,426)	(3,054)	(2,883)	(2,557)	(2,540)	(2,269)
Administrative expenses	—	—	—	—	—	—	—	—	—	—
Net change in plan fiduciary net position	10,400	4,859	6,937	(17,328)	7,463	7,176	10,486	(4,425)	8,699	2,634
Plan fiduciary net position — beginning of year	79,753	74,894	67,957	85,285	77,822	70,646	60,160	64,585	55,886	53,252
Plan fiduciary net position — end of year (b)	90,153	79,753	74,894	67,957	85,285	77,822	70,646	60,160	64,585	55,886
Net pension liability — ending (a) — (b)	\$ (8,896)	\$ (4,585)	\$ (2,280)	\$ 2,470	\$ (17,324)	\$ (12,994)	\$ (7,718)	\$ (958)	(7,465)	\$ (46)
Plan fiduciary net position as a percentage of total pension liability	110.95%	106.10%	103.14%	96.49%	125.49%	120.04%	112.26%	101.62%	113.07%	100.08%
Covered payroll	\$ 17,495	\$ 8,956	\$ 9,158	\$ 9,524	\$ 9,364	\$ 9,482	\$ 9,836	\$ 10,664	\$ 10,922	\$ 11,230
Net pension liability as a percentage of covered payroll	-50.85%	-51.18%	-24.90%	25.93%	-185.01%	-137.04%	-78.46%	-8.98%	-68.35%	-0.41%

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
2025	\$ —	\$ 775	\$ (775)	\$ 17,495	4.43%
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%

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):

	2025	2024	2023	2022	2021	2020	2019	2018	2017
<i>Total OPEB liability</i>									
Service cost	\$ 223	\$ 246	\$ 259	\$ 352	\$ 359	\$ 331	\$ 235	\$ 262	\$ 226
Interest	354	329	348	264	266	325	384	363	394
Change of benefit terms	3,417	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Differences between expected and actual experiences	(66)	(65)	(805)	(1,593)	(81)	39	177	(715)	244
Benefit payments	(347)	(337)	(409)	(363)	(453)	(453)	(356)	(335)	(298)
Changes of assumptions or other inputs	(239)	(393)	(52)	(2,112)	137	428	2,132	(757)	156
Net change in total OPEB liability	3,342	(220)	(659)	(3,452)	228	670	2,572	(1,182)	722
Total OPEB liability — beginning of year	8,677	8,897	9,556	13,008	12,780	12,110	9,538	10,720	9,998
Total OPEB liability — end of year	\$ 12,019	\$ 8,677	\$ 8,897	\$ 9,556	\$ 13,008	\$ 12,780	\$ 12,110	\$ 9,538	\$ 10,720
Covered employee payroll	\$ 19,803	\$ 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	60.70%	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 4.16% to 4.41%

REPORT OF INDEPENDENT AUDITORS

To the Board of the 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 the Municipal Electric Authority of Georgia (“MEAG Power”) which comprise the balance sheet as of December 31, 2025 and 2024, 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, 2025 and 2024, 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 18 through 23, schedule of changes in net pension liability and related ratios on page 76, schedule of employer contributions to the pension plan on page 77, and schedule of changes in total OPEB liability and related ratios on page 77 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic 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 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 financial statements, and other knowledge we obtained during our audit of the basic 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 17 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

Pricewaterhouse Coopers LLP

Atlanta, Georgia
May 21, 2026

Corporate Information

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