



Quarterly Financial Statements

Missouri Basin Municipal Power Agency d/b/a
 Missouri River Energy Services
 Western Minnesota Municipal Power Agency
 Combined Statements of Net Position (Unaudited)



Assets:	March 31		Liabilities and Net Position:	March 31	
	2026	2025		2026	2025
Current Assets:	(thousands of dollars)		Current Liabilities:	(thousands of dollars)	
Cash and cash equivalents:			Accounts payable	\$ 26,692	\$ 23,137
Restricted	\$ 29,265	\$ 29,106	Accrued taxes	2,070	2,550
Unrestricted	64,210	44,182	Current liabilities payable from restricted assets:		
Total cash and cash equivalents	93,475	73,288	Current maturity of revenue bonds	16,145	15,435
Short-term investments:			Accrued interest	5,659	6,027
Restricted	15,966	12,810	Total Current Liabilities	50,566	47,149
Unrestricted	45,576	87,723	Non-Current Liabilities:		
Total short-term investments	61,542	100,533	Revenue bonds, net of unamortized debt discount and premium and excluding current maturities	526,382	549,839
Accounts receivable	19,710	26,715	Revenues collected for future costs	38,431	42,153
Advances to Missouri Basin Power Project	28,644	28,297	Other non-current liabilities	45,135	44,523
Fuel stock	1,876	1,866	Total Non-Current Liabilities	609,948	636,515
Materials and supplies	559	179	Total Liabilities	660,514	683,664
Other current assets	12,005	4,924	Net Position	523,405	495,564
Total current assets	217,811	235,802	Total Liabilities and Net Position	\$ 1,183,919	\$ 1,179,228
Non-Current Assets:					
Long-term investments:					
Restricted	33,227	36,321			
Unrestricted	155,480	149,557			
Total long-term investments	188,707	185,878			
Capital Assets:					
Utility plant in service	1,076,327	1,056,703			
Less-accumulated depreciation	361,616	342,056			
Net utility plant in service	714,711	714,647			
Construction work in progress	45,409	19,909			
Net capital assets	760,120	734,556			
Advances for mine development	621	726			
Unamortized debt expense	2,573	2,541			
Other non-current assets	14,087	19,725			
Total Assets	1,183,919	1,179,228			

MANAGEMENT DISCUSSION

The Combined Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position for the periods ended March 31, 2026 and 2025 are presented for those interested in the operations of the Missouri Basin Municipal Power Agency, doing business as Missouri River Energy Services (MRES), and the Western Minnesota Municipal Power Agency (WMMPA). These statements should be read in conjunction with the 2025 Audited Financial Report.

COMBINED STATEMENTS OF NET POSITION

Total assets at March 31, 2026 and 2025 were approximately \$1.2 billion. At March 31, 2026, MRES and WMMPA had approximately \$265 million in unrestricted cash and investments, representing approximately 11 months of budgeted 2026 operating expenses.

LONG-TERM POWER SALES

Long-term power sales revenue for the three months ended March 31, 2026 totaled \$50 million, a 4 percent increase compared to the same period in 2025. This increase was driven by a higher average rate for long-term power sales and slightly higher energy sales, partially offset by lower demand during the first three months of 2026. The average rate for long-term power sales was approximately 6.0 cents per kilowatt-hour (kWh) for the three months ended March 31, 2026, compared to 5.8 cents per kWh for the same period in 2025.

SHORT-TERM POWER SALES

Short-term power sales revenue for the three months ended March 31, 2026 totaled approximately \$4 million, compared to approximately \$3 million during the same period in 2025. The significant increase in 2026 was primarily due to higher market prices, partially offset by lower megawatt-hours (MWh) sold.

OPERATING EXPENSES

Fuel expense for the three months ended March 31, 2026 totaled \$4 million, compared to approximately \$6 million during the same period in 2025. The decrease was primarily due to reduced generation at the Laramie River Station, partially offset by a slight increase in generation at the Exira Station.

Purchased power expense for the three months ended March 31, 2026 was 51 percent higher than the same period in 2025. This increase was driven by higher MWh purchases year-to-date and increased market prices compared to the same period in 2025. Winter storm Fern in late January 2026 is the main reason for the increase in market prices compared to 2025.

NON-OPERATING REVENUES (EXPENSES)

Investment income for the three months ended March 31, 2026 was 7 percent lower than the same period in 2025, due to lower balances available for investment and a slight decrease in yields.

Interest expense for the three months ended March 31, 2026 decreased compared to the same period in the prior year, primarily due to bond refinancing in October 2025 and a principal payment made in January 2026.

CHANGE IN NET POSITION

The change in net position for the three months ended March 31, 2026 was a net loss of approximately \$1 million, compared to a net surplus of \$8 million for the same period in 2025. Year-to-date 2026 change in net position is approximately \$5 million below budget.

MISSOURI BASIN MUNICIPAL POWER AGENCY D/B/A MISSOURI RIVER ENERGY SERVICES

WESTERN MINNESOTA MUNICIPAL POWER AGENCY

COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (UNAUDITED)

	Three Months Ended	
	March 31	
	2026	2025
	(thousands of dollars)	
Operating Revenues:		
Long-term power sales	\$ 50,173	\$ 48,387
Short-term power sales	3,548	3,156
Transmission services	16,744	15,715
Other operating income	<u>162</u>	<u>(21)</u>
Total Operating Revenues	<u>70,627</u>	<u>67,237</u>
Operating Expenses:		
Fuel	4,195	5,869
Purchased power	35,898	23,799
Other power supply operation and maintenance	7,983	6,071
Depreciation and amortization	5,439	5,285
Transmission operation and maintenance	11,924	10,453
Customer information and collections	48	47
Administrative and general	5,543	5,375
Property taxes	<u>(452)</u>	<u>975</u>
Total Operating Expenses	<u>70,578</u>	<u>57,854</u>
Operating Income	<u>49</u>	<u>9,383</u>
Non-Operating Revenues (Expenses):		
Investment income	2,975	3,190
Other income	1,750	1,579
Other expense	(1,142)	(1,182)
Interest expense	(5,659)	(5,860)
Amortization of financing-related costs and premium	424	284
Net Costs recoverable in (for) future years:		
Principal in excess of depreciation and amortization	<u>782</u>	<u>1,008</u>
Total Non-Operating Expenses	<u>(870)</u>	<u>(981)</u>
Change in Net Position	<u>\$ (821)</u>	<u>\$ 8,402</u>