

OFFER TO TENDER BONDS
made by
OKLAHOMA MUNICIPAL POWER AUTHORITY

to the Holders described herein of all or any portion of the maturities listed on page (ii) herein of the

OKLAHOMA MUNICIPAL POWER AUTHORITY

Power Supply System
Revenue Refunding
Bonds, Series 2016A

Power Supply System
Revenue Refunding
Bonds, Series 2021B
(Federally Taxable)

**THE TENDER OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON OCTOBER 3, 2025,
UNLESS THE OFFER IS EARLIER TERMINATED OR EXTENDED AS DESCRIBED HEREIN.
TENDERED BONDS MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE**

This Offer to Tender Bonds, dated September 18, 2025 (as it may be amended or supplemented, this “*Offer*”), describes an offer by Oklahoma Municipal Power Authority (the “*Authority*”), with the assistance of Goldman Sachs & Co. LLC, as dealer manager (the “*Dealer Manager*”), to the beneficial owners (the “*Holders*” or “*Bondholders*”) of certain of the Authority’s outstanding bonds of the series and maturities listed on page (ii) of this Offer (collectively, the “*Bonds*”) to tender such Bonds for purchase for consideration in the form of cash (the “*Tender Offer*” or the “*Authority Offer*”) at purchase prices (collectively, the “*Purchase Prices*”) to be determined as follows:

(a) the Authority’s Series 2016A Bonds the fixed spread will be added to the yield on the relevant benchmark BVAL Index (as defined herein) on page (ii), and

(b) the Authorities Series 2021B Bonds the fixed spread to be added to the yields on certain reference United States Treasury Securities (each a “*Benchmark Treasury Security*”) as set forth on page (ii).

On or about September 26, 2025, the Authority expects to publish the Pricing Notice (the “*Pricing Notice*”), which will confirm or amend the Fixed Spreads as set forth on page (ii) of this Offer (collectively, the “*Fixed Spread*”) for each respective CUSIP of the Bonds, which may differ from the Fixed Spreads shown on page (ii) of this Offer. In addition, Bondholders who tender Bonds will receive accrued and unpaid interest on the Bonds accepted for purchase from the last interest payment date up to but not including the Settlement Date (as defined below) (the “*Accrued Interest*”).

If issued, the Authority’s Power Supply System Revenue and Refunding Bonds, Series 2025A (the “*Series 2025A Bonds*”) will be dated as of the Settlement Date, and be issued in the manner, on the terms and with the security therefor described in the 2025A POS (as defined below), as completed by a final official statement.

Subject to the terms and conditions of the Authority Offer, the Authority will purchase Bonds tendered for purchase on October 23, 2025, unless such date is extended by the Authority (such date being the “*Settlement Date*”), assuming all conditions to the Authority Offer have then been satisfied or waived by the Authority, provided that such Bonds have been validly tendered for purchase by the Offer Expiration Date set forth below. Bondholders who tender Bonds for purchase will receive Accrued Interest on such Bonds on the Settlement Date. The source of funds to purchase the Bonds validly tendered for purchase pursuant to the Tender Offer with respect to the principal amount thereof will be limited to proceeds of the Series 2025A Bonds anticipated to be issued on the Settlement Date. The Series 2025A Bonds will be issued in the manner, on the terms and with the security therefor described in the Preliminary Official Statement dated September 18, 2025 attached hereto as APPENDIX A (the “*2025A POS*”), as completed by a final official statement. All of the payment of Accrued Interest on Bonds validly tendered and accepted for purchase will be funded by amounts on deposit in the Debt Service Account of the Debt Service Fund of the Authority. The purchase of any Bonds tendered pursuant to the Tender Offer is contingent on the issuance of the Series 2025A Bonds. The consummation of the Authority Offer is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein). See “INTRODUCTION – Financing Conditions” and “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase” herein.

HOLDERS OF BONDS WHO DO NOT ACCEPT THE AUTHORITY OFFER, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE WHEREIN THE AUTHORITY IN ITS DISCRETION DOES NOT ACCEPT SUCH TENDER FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS (THE “UNPURCHASED BONDS”) AND SUCH UNPURCHASED BONDS WILL REMAIN OUTSTANDING UNDER THE RESOLUTION PURSUANT TO WHICH SUCH UNPURCHASED BONDS WERE ORIGINALLY ISSUED. HOWEVER, THE AUTHORITY MAY, SUBJECT TO MARKET CONDITIONS, REFUND SOME OR ALL OF THE BONDS OR DEFEASE TO THE APPLICABLE MATURITY DATE SOME OR ALL OF THE SERIES 2021B BONDS NOT TENDERED FOR PURCHASE BY THE HOLDERS THEREOF OR TENDERED FOR PURCHASE AND NOT ACCEPTED BY THE AUTHORITY UP TO AND INCLUDING THE 2030 MATURITY PURSUANT TO THIS OFFER USING A PORTION OF THE PROCEEDS RECEIVED BY IT FROM THE SALE AND ISSUANCE OF THE SERIES 2025A BONDS AND OTHER FUNDS OF THE AUTHORITY. See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

To make an informed decision as to whether, and how, to tender Bonds for purchase pursuant to the Tender Offer, Bondholders must read this Offer carefully, including APPENDIX A, and consult with their broker, account executive, financial advisor, attorney and/or other professionals. For more information about risks concerning the Authority Offer, please see “ADDITIONAL CONSIDERATIONS” herein.

Any Bondholder wishing to accept the Authority Offer to purchase Bonds pursuant to this Offer should follow the procedures more specifically described herein. Bondholders and their brokers and account executives with questions about this Offer should contact the Dealer Manager or the Information Agent and Tender Agent.

Key Dates and Times

All of these dates and times are subject to change. All times are New York City time. Notices of changes will be sent in the manner provided for in this Offer.

Launch Date and 2025A POS	September 18, 2025
Pricing Notice	September 26, 2025
Tender Offer Expiration Date (“Offer Expiration Date”)	5:00 p.m. on October 3, 2025
Preliminary Notice of Acceptance	October 6, 2025
Determination of Bond Purchase Prices	Approximately 10:30AM on October 7, 2025
Notice of Purchase Prices	October 7, 2025
Notice of Acceptance of Bonds Tendered for Purchase (“Offer Acceptance Date”)	Before 5:00 p.m. on October 7, 2025
Settlement Date	October 23, 2025

The Dealer Manager for the Authority Offer is:
Goldman Sachs & Co. LLC

The Information Agent and Tender Agent for the Authority Offer is:
Globic Advisors Inc.

BONDS SUBJECT TO THE TENDER OFFER

Power Supply System Revenue Refunding Bonds, Series 2016A

Series	CUSIP*	Maturity Date	Optional Redemption Date	Interest Rate	Par Amount Outstanding	Reference BVAL Index	Indicative Fixed Spreads (Basis Points) ^
2016A	67910HQB9	1/1/2041	1/1/2026	3.125%	\$33,280,000	Jan-41	84

Power Supply System Revenue Refunding Bonds, Series 2021B (Federally Taxable)

Series	CUSIP*	Maturity Date	Interest Rate	Par Amount Outstanding	Benchmark Treasury Security	Indicative Fixed Spreads (Basis Points)
2021B	67910HRR3	1/1/2027	1.602%	\$4,990,000	2-year	-10
2021B	67910HRS1	1/1/2028	1.802%	13,210,000	3-year	-15
2021B	67910HRT9	1/1/2029	1.951%	12,470,000	5-year	-15
2021B	67910HRU6	1/1/2030	2.051%	13,575,000	5-year	-5
2021B	67910HRV4	1/1/2031	2.151%	8,015,000	7-year	-8
2021B	67910HRW2	1/1/2032	2.251%	8,250,000	7-year	5
2021B	67910HRX0	1/1/2033	2.351%	8,475,000	10-year	-5
2021B	67910HRY8	1/1/2034	2.431%	8,770,000	10-year	5
2021B	67910HRZ5	1/1/2035	2.501%	9,025,000	10-year	15
2021B	67910HSA9	1/1/2036	2.551%	9,290,000	10-year	25
2021B	67910HSB7 ¹	1/1/2041	2.803%	33,395,000	10-year	55
2021B	67910HSC5 ²	1/1/2047	2.903%	41,310,000	20-year	40

*CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc., on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. Neither the Authority, the Dealer Manager, the Information Agent and the Tender Agent nor their respective agents or counsel assume responsibility for the accuracy of such numbers.

[§] Preliminary, subject to change. Purchase Price excludes Accrued Interest. Final Purchase Price will be included in the Pricing Notice.

Note: Each Benchmark Treasury Security will be the most recently auctioned "on-the-run" U.S. Treasury Security for the maturity indicated as of the date and time that the Purchase Price for the Target Bonds is set.

1. Will be Priced to the average life date of 7/26/2038.
2. Will be Priced to the average life date of 2/13/2045.

^ Fixed Spreads are shown in basis points and do not include Accrued Interest on the Bonds tendered for purchase and are preliminary and subject to change.

IMPORTANT INFORMATION

This Offer and other information with respect to the Tender Offer are and will be available from Goldman Sachs & Co. LLC (the “Dealer Manager”) and Globic Advisors Inc. (the “Information Agent and Tender Agent”) at <http://emma.msrb.org> and <https://www.globic.com/ompa>. Bondholders wishing to tender their Bonds for purchase pursuant to the Tender Offer should follow the procedures described in this Offer. The Authority reserves the right to cancel or modify the Tender Offer at any time on or prior to the Offer Expiration Date, and reserves the right to make a future tender offer at prices different than the prices described herein or a future exchange offer for new bonds, in each case in its sole discretion. The Authority will have no obligation to purchase tendered Bonds if cancellation or modification of this Offer occurs or if the Authority is unable to issue the Series 2025A Bonds. The Authority further reserves the right to accept nonconforming tenders or waive irregularities in any tender. Though it may not be economic on the date of this Offer, the Authority also reserves the right in the future to refund (on an advance or current basis) any remaining portion of outstanding Bonds through the issuance of publicly offered or privately placed bonds. The consummation of the Authority Offer is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein) that are anticipated to occur after the Offer Expiration Dates but prior to the Settlement Date.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS OFFER OR PASSED UPON THE FAIRNESS OR MERITS OF THIS OFFER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS OFFER. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Offer is not being extended to, and Bonds tendered in response to this Offer will not be accepted from or on behalf of, Bondholders in any jurisdiction in which this Offer or such acceptance thereof would not be in compliance with the laws of such jurisdiction. In any jurisdictions where the securities, “blue sky,” or other laws require this Offer to be made through a licensed or registered broker or dealer, this Offer shall be deemed to be made on behalf of the Authority through the Dealer Manager or one or more registered brokers or dealers licensed under the laws of that jurisdiction.

References to web site addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not a part of, this Offer.

No dealer, salesperson, or other person has been authorized to give any information or to make any representation not contained in this Offer, including APPENDIX A, and, if given or made, such information or representation may not be relied upon as having been authorized by the Authority or any of its affiliates.

The delivery of this Offer shall not under any circumstances create any implication that any information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the Authority, or its affiliates, since the date hereof. The information contained in this Offer is as of the date of this Offer only and is subject to change, completion, or amendment without notice.

Certain statements included or incorporated by reference into this Offer constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “forecast,” “plan,” “expect,” “estimate,” “budget” or similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Authority does not plan to issue any updates or revisions to those forward-looking statements if or when changes to its expectations, or events, conditions or circumstances on which such statements are based, occur.

This Offer, including APPENDIX A, contains important information which should be read carefully in its entirety before any decision is made with respect to this Offer.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
General	1
Financing Conditions	2
Consideration for Authority Offer	3
Sources of Funds to Purchase Bonds and Pay Accrued Interest	4
Brokerage Commissions and Solicitation Fees	4
Bonds not Tendered for Purchase	4
Dealer Manager, Information Agent and Tender Agent	5
TERMS OF THE AUTHORITY OFFER	5
Expiration Dates	5
Offers Only Through the Authority's ATOP Account	5
Information to Bondholders	5
Minimum Denominations and Consideration	6
Accrued Interest	6
Provisions Applicable to All Tenders	6
Representations by Tendering Bondholders to the Authority	7
Tender of Bonds by Financial Institutions; Authority's ATOP Account	7
Determinations as to Form and Validity of Authority Offer; Right of Waiver and Rejection	8
Amendment or Withdrawals of Tenders Prior to the Offer Expiration Date	8
Acceptance of Tenders	8
Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Acceptance	9
Settlement Date; Purchase of Bonds	9
Purchase & Accrued Interest Funds	10
Conditions to Purchase	10
Extension, Termination and Amendment of the Authority Offer; Changes to Terms	11
AVAILABLE INFORMATION	11
ADDITIONAL CONSIDERATIONS	11
Market for Bonds	12
Treatment of Bonds Not Tendered Pursuant to Tender Offer	12
The Authority May Later Purchase Bonds at More Favorable Prices or in Exchange for Bonds	12
Timeliness of Offers	13
Offer Acceptance Date	13
SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES	13
DEALER MANAGER	13
INFORMATION AGENT AND TENDER AGENT	14
APPROVAL OF LEGAL PROCEEDINGS	14
MISCELLANEOUS	14
APPENDIX A PRELIMINARY OFFICIAL STATEMENT	A-1

OFFER TO TENDER BONDS
made by
OKLAHOMA MUNICIPAL POWER AUTHORITY

to the Holders described herein of all or any portion of the maturities listed on page (ii) herein of the

OKLAHOMA MUNICIPAL POWER AUTHORITY

**Power Supply System
Revenue Refunding
Bonds, Series 2016A**

**Power Supply System Revenue
Refunding Bonds, Series 2021B
(Federally Taxable)**

INTRODUCTION

General

This Offer to Tender Bonds, dated September 18, 2025 (as it may be amended or supplemented including the cover page and Appendices hereto, this “**Offer**”), describes an offer by the Oklahoma Municipal Power Authority (the “**Authority**”), with the assistance of Goldman Sachs & Co. LLC, as dealer manager (the “**Dealer Manager**”), to the beneficial owners (the “**Holders**” or “**Bondholders**”) of the Authority’s outstanding bonds of the series and certain maturities listed on page (ii) of this Offer (collectively, the “**Bonds**”) to tender such bonds for purchase for consideration in the form of cash (the “**Tender Offer**” or the “**Authority Offer**”) at purchase prices (collectively, the “**Purchase Prices**”) to be determined as follows: (a) the Authority’s Series 2016A Bonds the fixed spread will be added to the yield on the relevant benchmark BVAL Index (as defined herein) on page (ii), and (b) the Authorities Series 2021B Bonds the fixed spread to be added to the yields on certain reference United States Treasury Securities (each a “**Benchmark Treasury Security**”) as set forth on page (ii).

On or about September 26, 2025, the Authority expects to publish the Pricing Notice (as defined herein), which will confirm or amend the Fixed Spreads s as set forth on page (ii) of this Offer (collectively, “**Fixed Spread**”) for each respective CUSIP of the Bonds, which may differ from the Fixed Spreads shown on page (ii) of this Offer.

In addition, Bondholders who tender the Bonds will receive accrued and unpaid interest on the Bonds tendered for purchase from the last interest payment date up to but not including the Settlement Date (as defined herein) (“**Accrued Interest**”).

Subject to the terms and conditions of the Tender Offer, the Authority will purchase the Bonds tendered for purchase on October 23, 2025 (such date being the “**Settlement Date**”), unless such date is extended by the Authority, assuming all conditions to the Tender Offer have been satisfied or waived by the Authority, provided that such Bonds have been validly tendered for purchase by the Offer Expiration Date (as defined herein).

Bondholders who tender Bonds for purchase will receive Accrued Interest on such Bonds on the Settlement Date. The source of funds to purchase the Bonds validly tendered for purchase pursuant to the Tender Offer and accepted by the Authority with respect to the principal amount thereof will be limited to proceeds of the Series 2025A Bonds (as defined herein) and supplemented by available funds from the Authority in the Authority’s sole determination. The Series 2025A Bonds are expected to be issued in the manner, on the terms and with the security therefor described in the Preliminary Official Statement dated September 18, 2025, attached hereto as Appendix A (the “**2025A POS**”), as completed by a final official statement. All of the payment of Accrued Interest on Bonds validly tendered and accepted for purchase pursuant to the Tender Offer will be funded by amounts on deposit in the Debt Service Account of the Debt Service Fund of the Authority. **The purchase of any Bonds tendered pursuant to the Tender Offer is contingent on the issuance of the Series 2025A Bonds.** The consummation of the Tender Offer is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein). See “INTRODUCTION – Financing Conditions” herein and “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase” herein. The Authority Offer is being made to reduce the Authority’s debt service requirements.

The Authority is issuing its Power Supply System Revenue and Refunding Bonds, Series 2025A (the “**Series 2025A Bonds**”) to fund, among other things, the Purchase Prices of the Bonds. The Series 2025A Bonds will be issued pursuant to and secured by the Authority’s Power Supply System Revenue Bond Resolution adopted on June 10, 1985, as supplemented and amended, (as so supplemented and amended, the “**Resolution**”). For certain information concerning the Authority, see the 2025A POS attached hereto as APPENDIX A.

The source of funds to purchase the Bonds validly tendered for purchase pursuant to the Tender Offer and accepted by the Authority is limited to the proceeds of the Series 2025A Bonds, anticipated to be issued on the Settlement Date pursuant to the Resolution, as supplemented by the Thirty-Fourth Supplemental Power Supply System Revenue Bond Resolution adopted on August 14, 2025 (the “**Thirty-Fourth Supplemental Resolution**”). See “Sources of Funds to Purchase Bonds and Pay Accrued Interest” herein.

Financing Conditions

Notwithstanding any other provision of this Offer, the consummation of the Authority Offer and the Authority’s obligation to accept for purchase and to pay for Bonds validly tendered (and not validly withdrawn) pursuant to the Authority Offer and accepted by the Authority are subject to the satisfaction of or waiver of the following conditions on or prior to the Settlement Date:

(a) the successful completion by the Authority of a debt financing transaction including the issuance of the Series 2025A Bonds (the “**Proposed Financing**”), the proceeds of which will be sufficient to (i) fund the purchase of all Bonds validly tendered pursuant to the Tender Offer and (ii) pay all fees and expenses associated with the Proposed Financing and the Authority Offer;

(b) the Authority obtaining satisfactory and sufficient economic benefit as a result of the consummation of the Authority Offer when taken together with the Proposed Financing (collectively, the “**Financing Conditions**”), all on terms and conditions that are in the Authority’s best interests in its reasonable discretion; and

(c) the other conditions set forth in “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase.”

The Authority reserves the right, subject to applicable law, to amend or waive any of the conditions to the Authority Offer, in whole or in part, at any time prior to the Offer Expiration Date or from time to time, in its sole discretion. This Offer may be withdrawn by the Authority at any time prior to the Offer Expiration Date.

THIS TENDER OFFER MAY BE WITHDRAWN BY THE AUTHORITY AT ANY TIME PRIOR TO THE SETTLEMENT DATE IF THE CONDITIONS SET FORTH HEREIN ARE NOT SATISFIED OR WAIVED BY GIVING NOTICE OF SUCH CANCELLATION TO THE INFORMATION AGENT AND TENDER AGENT AND POSTING SUCH NOTICE ON THE EMMA WEBSITE AND THE GLOBIC WEBSITE. THE AUTHORITY RESERVES THE RIGHT TO DETERMINE WHETHER EACH FINANCING CONDITION HAS BEEN SATISFIED AND TO DETERMINE WHETHER TO WAIVE ANY FINANCING CONDITION.

TO MAKE AN INFORMED DECISION AS TO WHETHER, AND HOW, TO TENDER THEIR BONDS FOR PURCHASE, BONDHOLDERS MUST READ CAREFULLY THIS OFFER AND ALL APPENDICES TO THIS OFFER.

None of the Authority, the Dealer Manager or the Information Agent and Tender Agent (as defined herein) makes any recommendation that any Bondholder tender or refrain from tendering all or any portion of such Bondholder’s Bonds for purchase for cash consideration. Bondholders must make their own decisions and should read this Offer carefully and consult with their broker, account executive, financial advisor, attorney and/or other appropriate professionals in making these decisions.

Subject to the terms and conditions of the Tender Offer, the Authority will purchase Bonds tendered for purchase, provided that such Bonds tendered for purchase in consideration of cash as required by the terms of the Tender Offer have been validly tendered by 5:00 p.m., New York City time, on October 3, 2025 (as extended from time to time in accordance with this Offer, the “**Offer Expiration Date**”) and accepted by the Authority on or before 5:00 p.m., New York City time, on October 7, 2025 (the “**Offer Acceptance Date**”), unless extended by the Authority,

assuming all conditions to the Authority Offer have then been satisfied or waived by the Authority on or prior to October 23, 2025 (such date being the “**Settlement Date**”). Bondholders who tender Bonds for purchase on the Settlement Date will receive Accrued Interest on such Bonds from the last interest payment date to but not including the Settlement Date.

In the event all conditions to the Authority Offer are not satisfied or waived by the Authority on or prior to the Settlement Date, any Bonds tendered pursuant to the Authority Offer shall be returned to the Holder and remain outstanding under the resolution pursuant to which such Bonds were originally issued.

HOLDERS OF BONDS WHO DO NOT TENDER ANY BONDS PURSUANT TO THE TENDER OFFER, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE WHEREIN THE AUTHORITY IN ITS DISCRETION DOES NOT ACCEPT SUCH TENDER FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS (THE “UNPURCHASED BONDS”) AND SUCH UNPURCHASED BONDS WILL REMAIN OUTSTANDING UNDER THE RESOLUTION PURSUANT TO WHICH SUCH UNPURCHASED BONDS WERE ORIGINALLY ISSUED AND HELD BY THE HOLDERS THEREOF, AND WILL REMAIN SUBJECT TO FUTURE REDEMPTION, AND REFUNDING, WITH RESPECT TO THE SERIES 2021B BONDS PURSUANT TO THE MAKE-WHOLE OPTIONAL REDEMPTION PROVISION, OR DEFEASANCE OR INVITATION TO TENDER. HOWEVER, THE AUTHORITY MAY, SUBJECT TO MARKET CONDITIONS, REFUND SOME OR ALL OF THE BONDS OR DEFEASE TO THE APPLICABLE MATURITY DATE SOME OR ALL OF THE SERIES 2021B BONDS NOT TENDERED FOR PURCHASE BY THE HOLDERS THEREOF OR TENDERED FOR PURCHASE AND NOT ACCEPTED BY THE AUTHORITY UP TO AND INCLUDING THE 2030 MATURITY PURSUANT TO THIS OFFER USING A PORTION OF THE PROCEEDS RECEIVED BY IT FROM THE SALE AND ISSUANCE OF THE SERIES 2025A BONDS AND OTHER FUNDS OF THE AUTHORITY. See “– Bonds Not Tendered for Purchase” below and “ADDITIONAL CONSIDERATIONS” herein.

Consideration for Authority Offer

Series 2016A Bonds. Bondholders are invited to tender their Series 2016A for purchase at the fixed spreads as set forth on page (ii) of this Tender Offer. The Fixed Spreads represent the yield, expressed as an interest rate percentage above the yield on the indicated Bloomberg Valuation Index AAA Callable Municipal Curve (set forth on page (ii) of this Tender Offer) (the “**BVAL Index**”) to be used in establishing the Purchase Price for the 2016A Bonds. The Fixed Spreads will be added to the BVAL Index for the CUSIP of the 2016A Bonds to arrive at a yield (the “**Purchase Yield**”). The applicable BVAL Index for the CUSIP of the 2016A Bonds will be the BVAL Index yield (the “**BVAL Yield**”) for the month and year corresponding to the maturity of the 2016A Bonds, as set forth in the Monthly Value Table as of the Determination of Purchase Prices, as shown on the EMMA Website at the following address: <https://emma.msrb.org/ToolsAndResources/BloombergYieldCurve?daily=True> and accessed by the link to Monthly Value Table and will be determined at close of business New York City time on October 6, 2025.

The Purchase Yield will be used to calculate a price (the “**Purchase Price**”). The Purchase Price will be calculated using the market standard bond pricing formula as of the Settlement Date using the Bond Purchase Yield.

The Authority will publish a Pricing Notice on or about September 26, 2025.

Series 2021B Bonds. The Fixed Spread for each CUSIP for the Series 2021B Bonds as set forth on page (ii) of this Tender Offer represents the yield, expressed as an interest rate percentage, above the yield on the indicated Reference Treasury Security at which the Authority will purchase the Series 2021B Bonds.

The applicable Fixed Spread for a CUSIP will represent the spread which will be added to the yield on the Benchmark U.S. Treasury Security corresponding thereto to arrive at a yield (the “**Purchase Yield**”) used to calculate the Purchase Price for each maturity and corresponding CUSIP of the Series 2021B Bonds.

The yields on the Benchmark Treasury Securities (the “**Treasury Security Yields**”) will be determined at approximately 10:30 A.M., Eastern Time, on October 7, 2025, based on the bid-side price of the U.S. Reference Treasury as quoted on the Bloomberg Bond Trader FIT1 series of pages and calculated in accordance with standard market practice. The Fixed Spread will be added to the Reference Treasury Security Yield to arrive at a Purchase Yield. The Reference Treasury Security for each CUSIP is identified in Table 2 set forth on page (ii) of this Invitation.

The Purchase Yield will be used to calculate the purchase prices for Series 2021B Bonds. The purchase prices for Series 2021B Bonds will be equal to: the sum of (i) the present value of all remaining scheduled principal and interest on the applicable Series 2021B Bonds, discounted at the Purchase Yield to the Settlement Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), minus (ii) Accrued Interest up to but not including the Settlement Date. The Authority will publish a Pricing Notice on or about September 26, 2025. The Authority will publish a Notice of Bond Purchase Prices on October 7, 2025.

In addition to the Purchase Prices accepted for purchase by the Authority, Accrued Interest on such Bonds will be paid by, or on behalf of, the Authority to the tendering Bondholders on the Settlement Date.

Sources of Funds to Purchase Bonds and Pay Accrued Interest

The source of funds to purchase the Bonds validly tendered for cash purchase pursuant to the Tender Offer and accepted by the Authority will be limited to the proceeds of the Series 2025A Bonds and other funds of the Authority. The payment of Accrued Interest on Bonds validly tendered and accepted for purchase pursuant to the Tender Offer will be funded from amounts on deposit in the Debt Service Account of the Debt Service Fund of the Authority. The Series 2025A Bonds are described in the 2025A POS. **THE PURCHASE OF ANY BONDS TENDERED PURSUANT TO THE TENDER OFFER IS CONTINGENT ON THE ISSUANCE BY THE AUTHORITY OF THE SERIES 2025A BONDS, THE ISSUANCE OF WHICH ARE SUBJECT TO CONDITIONS TO BE SATISFIED ON OR PRIOR TO THE SETTLEMENT DATE.**

Brokerage Commissions and Solicitation Fees

Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the Authority, the Dealer Manager, or the Information Agent and Tender Agent in connection with the Authority Offer. However, Bondholders should check with their broker, bank, account executive or other financial institution which maintains the account in which their Bonds are held (their “*Financial Representative*”) to determine whether it will charge any commissions or fees.

Bonds not Tendered for Purchase

Any Bonds that are not validly tendered and accepted for purchase for cash consideration in response to the Authority Offer will continue to be outstanding, and payable and secured, pursuant to the terms of the Resolution under which the Bonds were originally issued and held by the holders thereof, and will remain subject to future redemption, and refunding, with respect to the Series 2021B Bonds pursuant to the make-whole optional redemption provision, or defeasance or invitation to tender. However, the Authority may, subject to market conditions, refund some or all of the Bonds or defease to the applicable maturity date some or all of the Series 2021B Bonds not tendered for purchase by the holders thereof or tendered for purchase and not accepted by the Authority up to and including the 2030 maturity pursuant to this Offer using a portion of the proceeds received by it from the sale and issuance of the Series 2025A Bonds and other funds of the Authority.

The purchase by the Authority of Bonds of any CUSIP number may have certain potential adverse effects on holders of Bonds not purchased pursuant to the Tender Offer, including the following:

- if Series 2021B Bonds not tendered for purchase or tendered and not accepted by the Authority are not refunded with proceeds of the Series 2025A Bonds, the principal amount of the Series 2021B Bonds of such CUSIP number available to trade publicly will be reduced, which could adversely affect the liquidity and market value of any Series 2021B Bonds of that CUSIP number that remain outstanding; and
- if Series 2021B Bonds not tendered for purchase or tendered and not accepted by the Authority are not refunded with proceeds of the Series 2025A Bonds, and if less than all of the Series 2021B Bonds of a CUSIP number for which sinking fund installments have been established are purchased by the Authority pursuant to the Tender Offer, the average life of the remaining Series 2021B Bonds of that CUSIP number may change.

Dealer Manager, Information Agent and Tender Agent

Goldman Sachs & Co. LLC is the Dealer Manager for the Authority Offer. Investors with questions about the Authority Offer should contact the Dealer Manager or Globic Advisors Inc., which serves as Information Agent and Tender Agent (the “**Information Agent**” or the “**Tender Agent**”) for the Authority Offer, at the addresses and telephone numbers set forth on the page preceding Appendix A appended to this Offer. See “DEALER MANAGER” and “INFORMATION AGENT AND TENDER AGENT” herein.

In addition to its role as Dealer Manager for the Bonds, Goldman Sachs & Co. LLC is also serving as the senior managing underwriter for the Series 2025A Bonds to be issued by the Authority as described in Appendix A.

TERMS OF THE AUTHORITY OFFER

Expiration Date

The Authority Offer will expire on the Offer Expiration Date, unless earlier terminated or extended, as described in this Offer. See “TERMS OF THE AUTHORITY OFFER – Extension, Termination and Amendment of the Authority Offer; Changes to Terms” herein for a discussion of the Authority’s ability to extend the Offer Expiration Dates and to terminate or amend the Authority Offer.

Offers Only Through the Authority’s ATOP Account

The Bonds are held in book-entry-only form through the facilities of The Depository Trust Company (“**DTC**”). The Authority, through the Information Agent and Tender Agent, will establish an Automated Tender Offer Program (“**ATOP**”) account at DTC for the Authority Offer to which this Offer relates promptly after the date of this Offer. Bondholders who wish to accept the Authority Offer must do so through the Authority’s ATOP account.

ALL TENDERS FOR PURCHASE MUST BE MADE THROUGH THE AUTHORITY’S ATOP ACCOUNT. THE AUTHORITY WILL NOT ACCEPT ANY TENDERS FOR PURCHASE FOR CASH THAT ARE NOT MADE THROUGH ITS ATOP ACCOUNT. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THE AUTHORITY OFFER.

Any financial institution that is a participant in DTC may make a book-entry tender of the Bonds by causing DTC to transfer such Bonds into the Authority’s ATOP account relating to the Authority Offer, specifying the series, maturity and CUSIP number in accordance with DTC’s procedures for such transfer. Bondholders who are not DTC participants can only tender Bonds pursuant to the Authority Offer by making arrangements with and instructing their Financial Representative to tender the Bondholder’s Bonds through the Authority’s ATOP account. To ensure a Bondholder’s Bonds are tendered to the Authority’s ATOP account by 5:00 p.m., New York City time, on the Offer Expiration Date, the Bondholder must provide instructions to the Bondholder’s Financial Representative in sufficient time for the Financial Representative to tender the Bonds to the Authority’s ATOP account by this deadline. A Bondholder should contact its Financial Representative for information as to when the Financial Representative needs the Bondholder’s instructions in order to tender the Bondholder’s Bonds to the Authority’s ATOP account by 5:00 p.m., New York City time, on the Offer Expiration Date. See “TERMS OF THE AUTHORITY OFFER – Tender of Bonds by Financial Institutions; Authority’s ATOP Account.”

The Authority, the Dealer Manager, and the Information Agent and Tender Agent are not responsible for the transfer of any tendered Bonds to the Authority’s ATOP account or for any mistakes, errors or omissions in the transfer of any tendered Bonds.

Information to Bondholders

The Authority may give information about the Authority Offer to the market and Bondholders by delivery of the information to the following institutions: Bloomberg Financial Market Systems and the Municipal Securities Rulemaking Board through EMMA, which such institution, together with the Information Agent are collectively referred to herein as the “*Information Services*.” The Information Agent will deliver information provided to it by the Authority through its website, <https://www.globic.com/ompa>. Delivery by the Authority of information to the Information Services will be deemed to constitute delivery of this information to each Bondholder.

The Authority, the Dealer Manager, and the Information Agent and Tender Agent have no obligation to ensure that a Bondholder actually receives any information given to the Information Services.

Bondholders who would like to receive information transmitted by or on behalf of the Authority to the Information Services may receive such information from the Dealer Manager or the Information Agent and Tender Agent by contacting them using the contact information on the page preceding the Appendices appended to this Offer or by making appropriate arrangements with its Financial Representative or directly with the Information Services.

Any updates to this Offer, including, without limitation any supplements to the 2025A POS, will be distributed through the Information Services. The final Official Statement with respect to the Series 2025A Bonds will be posted to the EMMA website and the Globic Website subsequent to the Offer Acceptance Date and prior to the Settlement Date assuming the sale of the Series 2025A Bonds.

Minimum Denominations and Consideration

A Bondholder may tender Bonds for purchase of a particular CUSIP number that it owns in an amount of its choosing, but only in a principal amount equal to the minimum denomination of \$5,000 (the “*Minimum Authorized Denomination*”) or any integral multiple of \$5,000 in excess thereof. Holders who tender less than all of their Bonds must continue to hold Bonds in at least the Minimum Authorized Denomination.

Tender Consideration. The Purchase Prices for Bonds with each particular CUSIP tendered pursuant to the Tender Offer is set forth on page (ii) of this Offer. The source of funds for payment of Accrued Interest on Bonds validly tendered and accepted for purchase will be from amounts on deposit in the Debt Service Account of the Debt Service Fund of the Authority and paid on October 23, 2025, the Settlement Date.

Accrued Interest

The Purchase Price of the Bonds will not be deemed to include any amount representing the interest which will have accrued on a tendered Bond of a particular CUSIP number from the last payment of interest thereon to but not including the Settlement Date (such amount is referred to herein as Accrued Interest). In addition to the Purchase Prices of the Bonds accepted for purchase by the Authority, Accrued Interest on such Bonds will be paid by, or on behalf of, the Authority to the tendering Bondholders on the Settlement Date.

Provisions Applicable to All Tenders

Need for Advice. A Bondholder should ask its Financial Representative or financial advisor for help in determining: (a) whether to tender Bonds of a particular CUSIP number for purchase, and (b) the principal amount of Bonds of such CUSIP number to be tendered. A Bondholder also should inquire as to whether its Financial Representative or financial advisor will charge a fee for submitting tenders if the Authority purchases the Bondholder’s tendered Bonds. The Authority, the Dealer Manager, and the Information Agent and Tender Agent will not charge any Bondholder for tendering Bonds.

Need for Specificity of Tender. A tender cannot exceed the par amount of Bonds owned by the Bondholder and must include the following information: (1) the CUSIP number(s) of the Bond(s) being tendered, and (2) the principal amount of each CUSIP number being tendered (such principal amount must be stated in integral multiples of \$5,000 and if not so stated, for tenders of less than all of the holder’s position in the Bonds, such principal amount will be reduced to the greatest integral multiple of \$5,000). Any Bondholder located outside of the United States should check with their broker to determine if there any additional minimal increments, alternative settlement timing or other limitations.

“All or none” offers are not permitted.

Bonds may be tendered and accepted for payment only in principal amounts equal to the Minimum Authorized Denomination and integral multiples of \$5,000 in excess thereof. Holders who tender less than all of their Bonds must continue to hold their Bonds in at least the Minimum Authorized Denomination and integral multiples of \$5,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted.

ALL TENDERS FOR PURCHASE MUST BE MADE THROUGH THE AUTHORITY’S ATOP ACCOUNT. THE AUTHORITY WILL NOT ACCEPT ANY TENDERS FOR PURCHASE THAT ARE NOT

MADE THROUGH ITS ATOP ACCOUNT. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THE AUTHORITY OFFER. See “TERMS OF THE AUTHORITY OFFER – Tender of Bonds by Financial Institutions; Authority’s ATOP Account.”

General. A Bondholder may only tender Bonds it owns or controls. By tendering Bonds pursuant to the Authority Offer, a Bondholder will be deemed to have represented and agreed with the Authority as set forth below under “TERMS OF THE AUTHORITY OFFER – Representations by Tendering Bondholders to the Authority.” All tenders shall survive the death or incapacity of the tendering Bondholder.

Bondholders who would like to receive information furnished by the Authority to the Information Services must make appropriate arrangements with their Financial Representatives, the Dealer Manager, or the Information Agent and Tender Agent.

Representations by Tendering Bondholders to the Authority

By tendering Bonds for purchase, each tendering Bondholder will be deemed to have represented to and agreed with the Authority that:

(a) the Bondholder has received this Offer and the 2025A POS and has had the opportunity to review this Offer and the 2025A POS prior to making its decision to tender Bonds, and agrees if the purchase of any tendered Bonds is consummated, the purchase of such Bonds shall be on the terms and conditions set forth in this Offer;

(b) the Bondholder has full power and authority to tender, sell, assign and transfer the tendered Bonds; and on the Settlement Date, the Authority will acquire good, marketable and unencumbered title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondholder of the Purchase Price(s) plus Accrued Interest;

(c) the Bondholder has made its own independent decision to tender its Bonds for purchase pursuant to the Authority Offer, and as to the terms thereof, and such decision is based upon the Bondholder’s own judgment and upon advice from such advisors with whom the Bondholder has determined to consult;

(d) the Bondholder is not relying on any communication from the Authority, the Dealer Manager or the Information Agent and Tender Agent as investment advice or as a recommendation to tender the Bondholder’s Bonds at the applicable Purchase Price, it being understood that the information from the Authority, the Dealer Manager and the Information Agent and Tender Agent related to the terms and conditions of the Authority Offer made pursuant to this Offer shall not be considered investment advice or a recommendation to tender Bonds; and

(e) the Bondholder is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand, agree and accept, the terms and conditions of the Authority Offer.

Tender of Bonds by Financial Institutions; Authority’s ATOP Account

The Authority, through the Information Agent and Tender Agent, will establish the Authority’s ATOP account at DTC for the Authority Offer to which this Offer relates promptly after the date of this Offer. Tenders of Bonds pursuant to the Authority Offer may only be made by transfer to the Authority’s ATOP account. Any financial institution that is a participant in DTC may make a book-entry tender of the Bonds by causing DTC to transfer such Bonds into the Authority’s ATOP account in accordance with DTC’s procedures.

Concurrently with the delivery of Bonds through book-entry transfer into the Authority’s ATOP account, an Agent’s Message (as described below) in connection with such book-entry transfer must be transmitted to and received at the Authority’s ATOP account by not later than 5:00 p.m., New York City time, on the Offer Expiration Date. The confirmation of a book-entry transfer to the Authority’s ATOP account as described above is referred to herein as a “**Book-Entry Confirmation**.” The term “**Agent’s Message**” means a message transmitted by DTC to, and received by, the Information Agent and Tender Agent and forming a part of a Book-Entry Confirmation which states that DTC has received an express acknowledgment from the DTC participant tendering Bonds that are the subject of such Book-Entry Confirmation, stating the CUSIP number(s) and the principal amount(s) of the Bonds that have been tendered by such participant pursuant to the Authority Offer, and to the effect that such participant agrees to be bound by the

terms of the Authority Offer. By causing DTC to transfer Bonds into the Authority's ATOP account, a financial institution warrants to the Authority that it has full authority, and has received from the Bondholder(s) of such Bonds all direction necessary, to tender, transfer and sell such Bonds as set forth in this Offer.

ALL TENDERS FOR PURCHASE MUST BE MADE THROUGH THE AUTHORITY'S ATOP ACCOUNT. THE AUTHORITY WILL NOT ACCEPT ANY TENDERS FOR PURCHASE THAT ARE NOT MADE THROUGH ITS ATOP ACCOUNT. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THE AUTHORITY OFFER.

Bondholders who are not DTC participants can only tender Bonds pursuant to the Authority Offer by making arrangements with and instructing their Financial Representative to tender the Bondholder's Bonds through the Authority's ATOP account. To ensure a Bondholder's Bonds are tendered to the Authority's ATOP account by 5:00 p.m., New York City time, on the Offer Expiration Date, a Bondholder must provide instructions to its Financial Representative in sufficient time for the Financial Representative to tender the Bondholder's Bonds to the Authority's ATOP account by this deadline. A Bondholder should contact its Financial Representative for information as to when the Financial Representative needs the Bondholder's instructions in order to tender the Bondholder's Bonds to the Authority's ATOP account by 5:00 p.m., New York City time, on the Offer Expiration Date.

Determinations as to Form and Validity of Authority Offer; Right of Waiver and Rejection

All questions as to the validity (including the time of receipt at the Authority's ATOP account), form, eligibility and acceptance of any Bonds tendered for purchase pursuant to the Authority Offer will be determined by the Authority in its sole discretion and such determinations will be final, conclusive and binding.

The Authority reserves the right to waive any irregularities or defects in any tender. The Authority, the Dealer Manager, and the Information Agent and Tender Agent are not obligated to give notice of any defects or irregularities in tenders and they will have no liability for failing to give such notice.

The Authority reserves the absolute right to reject any and all offers, whether or not they comply with the terms of this Offer.

Amendment or Withdrawals of Tenders Prior to the Offer Expiration Date

A Bondholder may amend its offer to tender for purchase in respect of the amount being tendered by causing an amended offer to be received at the Authority's ATOP account at or before 5:00 P.M., New York City time, on the Offer Expiration Date (as such Offer Expiration Date may be terminated or extended pursuant to this Offer).

An offer to tender for purchase may be withdrawn by a Bondholder by causing a withdrawal notice to be received at the Authority's ATOP account at or before 5:00 P.M., New York City time, on the Offer Expiration Date (as such Expiration Date may be terminated or extended pursuant to this Offer).

An amended offer or a notice of withdrawal must be submitted in substantially the same manner as an offer.

Bondholders who have tendered their Bonds will not receive any information from the Authority, the Dealer Manager or the Information Agent and Tender Agent concerning offers by other Bondholders. Tendering Bondholders will not be afforded an opportunity to amend their offers after 5:00 P.M., New York City time, on the Offer Expiration Date. An amended or withdrawn offer must specify the applicable CUSIP number, and with respect to amended offers, the principal amount previously offered and the new amount being offered. All questions as to the validity (including the time of receipt) of an amendment or withdrawal will be determined by the Authority in its sole discretion and will be final, conclusive and binding.

Tenders of Bonds may be withdrawn prior to 5:00 P.M., New York City time, on the Offer Expiration Date.
ALL TENDERS OF BONDS SHALL BE IRREVOCABLE UPON THE OFFER EXPIRATION DATE.

Acceptance of Tenders

As of the Offer Acceptance Date, upon the terms and subject to the conditions of the Authority Offer, as set forth in this Offer, the Authority will elect to accept for purchase for cash consideration outstanding Bonds validly tendered pursuant to the Authority Offer (or defectively tendered, if such defect has been waived by the Authority),

with acceptance subject to the satisfaction or waiver by the Authority of the conditions to the purchase of tendered Bonds. See “TERMS OF THE AUTHORITY OFFER – Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Acceptance” and “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase.”

The Authority will have no obligation to purchase Bonds tendered if cancellation or modification of this Offer occurs or if the Authority is unable to issue the Series 2025A Bonds. Subject to the terms and conditions of this Offer, the Authority has the right to purchase none, some or all of the Bonds offered, notwithstanding any other statements herein about the Authority’s current intentions for amount of Bonds to be purchased. Bonds that will be purchased will be indicated by CUSIP. With respect to Bonds not purchased by the Authority pursuant to this Offer, the Authority shall have the right in the future to either refund some or all of the Bonds, or invite Bondholders to tender their Bonds for purchase by the Authority.

After the Offer Expiration Date, subject to the following sentence, the Authority in its sole discretion will select which, if any, Bonds to purchase of a particular CUSIP based on its determination of the economic benefit from such purchase. Should the Authority choose to purchase some but not all of the tendered Bonds of a particular CUSIP, the Authority will accept those tendered Bonds on a pro rata basis reflecting the ratio of (a) the principal amount, if any, the Authority determines to purchase to (b) the aggregate principal amount of valid offers to sell received. In such event, should the principal amount of any individual tender offer, when adjusted by the pro rata acceptance, result in an amount that is not a multiple of the Minimum Authorized Denomination, the principal amount of such offer will be rounded up to the nearest multiple of \$5,000. The pro rata calculation will take into consideration the rounding procedure.

Notwithstanding any other provision of this Offer, the consummation of the Authority Offer and the Authority’s obligation to accept for purchase, and to pay for Bonds validly tendered (and not validly withdrawn) pursuant to the Authority Offer and accepted by the Authority are subject to the satisfaction of or waiver of the Financing Conditions (see “INTRODUCTION – Financing Conditions” herein) and the other conditions set forth in “Conditions to Purchase” herein. The Authority reserves the right, subject to applicable law, to amend or waive any of the conditions to the Authority Offer, in whole or in part, at any time prior to the Offer Expiration Date, in its sole discretion. This Offer may be withdrawn by the Authority at any time prior to the Offer Expiration Date.

Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Acceptance

Acceptance by the Authority of Bonds tendered for purchase will constitute an irrevocable agreement between the tendering Bondholder and the Authority to sell and purchase such Bonds for cash, subject to satisfaction of all conditions to the Authority’s obligation to purchase tendered Bonds and the other terms of the Authority Offer. See “Minimum Denominations and Consideration” above and “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase” herein.

The acceptance of Bonds tendered for purchase is expected to be made by notification to the Information Services no later than 5:00 p.m., New York City time, on the Offer Acceptance Date. This notification will state the principal amount of the Bonds of each CUSIP number that the Authority has agreed to purchase for cash consideration, in accordance with the Authority Offer, which may be zero for a particular CUSIP number.

Settlement Date; Purchase of Bonds

Subject to satisfaction of all conditions to the Authority’s obligation to purchase tendered Bonds for cash as described herein, including, without limitation, the Financing Conditions, the Settlement Date is the day on which Bonds accepted for purchase for cash will be purchased at the Purchase Price(s), together with Accrued Interest thereon in each case. The Settlement Date will occur following the Offer Acceptance Date, subject to all conditions to the Authority Offer having been satisfied or waived by the Authority. The expected Settlement Date is October 23, 2025, unless extended by the Authority, assuming all conditions to the Authority Offer have been satisfied or waived by the Authority. Bondholders whose Bonds are accepted for purchase on the Settlement Date will receive Accrued Interest.

The Authority may, in its sole discretion, change the Settlement Date by giving notice to the Information Services prior to the change. See “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase.”

Subject to satisfaction of all conditions to the Authority’s obligation to purchase Bonds tendered for purchase pursuant to the Tender Offer, as described herein, payment by the Authority, or on the Authority’s behalf, will be

made in immediately available funds on the Settlement Date by deposit with DTC of the aggregate Purchase Price and Accrued Interest on the Bonds accepted for purchase. The Authority expects that, in accordance with DTC's standard procedures, DTC will transmit the Purchase Price (plus Accrued Interest) in immediately available funds to each of its participant financial institutions holding the Bonds accepted for purchase on behalf of Bondholders for delivery to the Bondholders.

The Authority, the Dealer Manager, and the Information Agent and Tender Agent have no responsibility or liability for the distribution of the Purchase Prices plus Accrued Interest by DTC to the Bondholders.

Purchase and Accrued Interest Funds

The source of funds to pay the principal portion of the purchase price of the Bonds validly tendered for purchase pursuant to the Tender Offer and accepted by the Authority is anticipated to be proceeds of the Series 2025A Bonds. The source of funds for payment of Accrued Interest on Bonds validly tendered and accepted for purchase will be from amounts on deposit in the Debt Service Account of the Debt Service Fund of the Authority and paid on October 23, 2025, the Settlement Date. The purchase of any Bonds tendered pursuant to the Tender Offer is contingent on the issuance by the Authority of the Series 2025A Bonds, as well as certain other conditions which must be satisfied on or prior to the Settlement Date. See "INTRODUCTION – Financing Conditions" and "TERMS OF THE AUTHORITY OFFER – Conditions to Purchase" below for more information on the conditions precedent to the Offer.

Conditions to Purchase

In addition to the Financing Conditions (see "INTRODUCTION – Financing Conditions" herein), if after the Offer Acceptance Date, but prior to payment for Bonds tendered and accepted by the Authority on the Settlement Date, any of the following events should occur, the Authority will have the absolute right to cancel its obligations to purchase Bonds without any liability to any Bondholder:

- Litigation or another proceeding is pending or threatened which the Authority reasonably believes may, directly or indirectly, have an adverse impact on the Authority Offer or the expected benefits of the Authority Offer to the Authority or the Bondholders;
- A war, national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the Authority reasonably believes this fact makes it inadvisable to proceed with the purchase of Bonds;
- A material change in the business or affairs of the Authority has occurred which the Authority reasonably believes makes it inadvisable to proceed with the purchase of Bonds;
- A material change in the net economics of the transaction has occurred due to a material change in market conditions which the Authority reasonably believes makes it inadvisable to proceed with the purchase of Bonds;
- There shall have occurred a material disruption in securities settlement, payment or clearance services; or
- If, for any reason, the Series 2025A Bonds, are not issued.

These conditions (including the Financing Conditions) (collectively, the "*Conditions to Purchase*") are for the sole benefit of the Authority and may be asserted by the Authority, prior to the time of payment of the Bonds it has agreed to purchase, regardless of the circumstances giving rise to any of these conditions or may be waived by the Authority in whole or in part at any time and from time to time in its discretion, and may be exercised independently for each maturity and interest rate of the Bonds. The failure by the Authority at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the Authority which may be asserted at any time and from time to time prior to the time of payment of the Bonds it has agreed to purchase. Any determination by the Authority concerning the events described in this section will be final and binding upon all parties.

(a) If the Conditions to Purchase have been satisfied, the Authority expects to apply proceeds of the Series 2025A Bonds to refund or, for up to and including the 2030 maturity, defease to maturity all or a portion of the Series 2021B Bonds not purchased by the Authority in connection with the purchase of the tendered Bonds it has decided to purchase.

(b) Any tendered Bonds not purchased as a result of a failure to satisfy the Conditions to Purchase may now or in the future be refunded by the Authority and at any time in the future Bondholders may be invited to tender such tendered Bonds for purchase by the Authority in the sole discretion of the Authority.

Extension, Termination and Amendment of the Authority Offer; Changes to Terms

Through and including the Offer Expiration Date, the Authority has the right to extend the Authority Offer, as to any or all of the Bonds, to any date in its sole discretion, provided that a notice of any extension of the Offer Expiration Date is given to the Information Services, including by posting such notice to the EMMA Website and the Globic Website on or about 9:00 a.m., New York City time, on the first business day after the Offer Expiration Date.

The Authority also has the right, prior to acceptance of Bonds tendered for purchase as described herein under the heading “TERMS OF THE AUTHORITY OFFER – Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Acceptance,” to terminate the Authority Offer at any time by giving notice to the Information Services. The termination will be effective at the time specified in such notice.

The Authority also has the right, prior to acceptance of Bonds tendered for purchase as described herein under the heading “TERMS OF THE AUTHORITY OFFER – Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Acceptance,” to amend or waive the terms of the Authority Offer in any respect and at any time by giving notice to the Information Services. This amendment or waiver will be effective at the time specified in such notice.

If the Authority extends the Authority Offer, or amends the terms of the Authority Offer (including a waiver of any term) in any material respect, including, without limitation, a change in the Purchase Price of the Bonds pursuant to the Tender Offer, the Authority shall provide notice thereof no less than five (5) business days prior to the Offer Expiration Date, as extended. **In such event, any offers submitted with respect to the affected Bonds prior to such change in the Purchase Price for such Bonds pursuant to the Tender Offer, will remain in full force and effect and any Bondholder of such affected Bonds wishing to revoke their offer to tender such Bonds must affirmatively withdraw such offer prior to the Offer Expiration Date.**

No extension, termination or amendment of the Authority Offer (or waiver of any terms of the Authority Offer) will change the Authority’s right to decline to purchase any Bonds without liability. See “TERMS OF THE AUTHORITY OFFER – Conditions to Purchase.”

The Authority, the Dealer Manager and the Information Agent and Tender Agent have no obligation to ensure that a Bondholder actually receives any information given to the Information Services.

AVAILABLE INFORMATION

Certain information relating to the Bonds and the Authority may be obtained by contacting the Dealer Manager or Information Agent and Tender Agent at the contact information set forth on the page preceding Appendix A appended to this Offer. Such information is limited to (i) this Offer, including the information set forth in the 2025A POS which is attached hereto as APPENDIX A, and (ii) information about the Authority available through the EMMA Website and the Globic Website (www.globic.com/ompa). **Unless specified otherwise herein, no information available on the EMMA Website is specifically incorporated into, and is not a part of, this Offer.**

ADDITIONAL CONSIDERATIONS

None of the Authority, the Dealer Manager or the Information Agent and Tender Agent make any recommendation that any Bondholder tender or refrain from tendering all or any portion of the Bonds. Each Bondholder must make its decision and should read this Offer and the 2025A POS and consult with its broker, account executive, financial advisor and/or other financial professional in making such decision.

In deciding whether to participate in the Authority Offer, each Bondholder should consider carefully, in addition to the other information contained in this Offer, the following:

- The Authority may, subject to market conditions, refund some or all of the Bonds or defease to the applicable maturity date some or all of the Series 2021B Bonds not tendered for purchase by the holders thereof or tendered for purchase and not accepted by the Authority up to and including the 2030 maturity using a portion of the proceeds received by it from the sale and issuance of the 2025A Bonds.
- In the event that the 2025A Bonds are not issued and sold, tendered Bonds accepted for purchase are not required to be purchased by the Authority and in such event, Bondholders will continue to hold their respective tendered Bonds which will continue to be outstanding, payable and secured, pursuant to the terms of the Resolution under which the Bonds were originally issued.
- Even if the Authority does not purchase any tendered Bonds, the Authority has the right now or in the future to refund all or any portion of the tendered Bonds or may in the future invite Bondholders to tender such tendered Bonds for purchase by the Authority.

Market for Bonds

The Bonds are not listed on any national or regional securities exchange. To the extent that the Bonds are traded, their prices may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Bondholders may be able to effect a sale of the Bonds at a price higher than the Purchase Price(s) established in connection with the Offer.

Treatment of Bonds Not Tendered Pursuant to the Tender Offer

Bonds not validly tendered pursuant to the Tender Offer will remain outstanding. If Bonds are purchased in connection with the Tender Offer, the principal amount of Bonds for a particular CUSIP that remains outstanding will be reduced, which could adversely affect the liquidity and market value of the Bonds of that CUSIP that remain outstanding. Bonds may currently be included in benchmark bond indices, which may change if Bonds tendered and accepted by the Authority for purchase reduce the par amount outstanding of each maturity below relevant index thresholds.

The terms and conditions of the Bonds that remain outstanding will continue to be governed by the terms of the Resolution and related bond documents, including without limitation the redemption and call provisions, as applicable under the terms of the Resolution. The Authority reserves the right now and in the future to, and may decide to, refund (on an advance, forward, or current basis) some or all of the Bonds not purchased pursuant to the Tender Offer through the issuance of the Series 2025A Bonds, or other funds of the Authority, or any series of publicly-offered or privately-placed bonds or the Series 2021B Bonds not refunded and defeased to maturity as discussed herein. At this time, the Authority is not considering any other forms of refunding for Bonds not tendered or tendered and not accepted by the Authority other than as set forth herein, but subject to market conditions, may choose to do so in the future.

The Authority May Later Purchase Bonds at More Favorable Prices or in Exchange for Bonds

The Authority reserves the right to, and may in the future decide to, acquire some or all of the Bonds not purchased pursuant to the Authority Offer through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the consideration offered pursuant to the Authority Offer set forth in this Offer, which could be cash or other consideration. Any future acquisition or exchange of Bonds may be on the same terms or on terms that are more or less favorable to Bondholders than the terms of the Authority Offer described in this Offer. The decision to make future purchases or exchanges by the Authority and the terms of such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the Authority will ultimately choose to pursue in the future.

Timeliness of Offers

The Authority Offer will expire at 5:00 p.m., New York City time, on the Offer Expiration Date (currently scheduled for October 3, 2025), unless extended or terminated. Bonds tendered for purchase as described in this Offer after 5:00 p.m., New York City time, on the Offer Expiration Date will not be considered.

Offer Acceptance Date

Notification of acceptance of Bonds tendered pursuant to the Authority Offer will be given on or before 5:00 p.m., New York City time, on the Offer Acceptance Date (currently scheduled for October 7, 2025), unless the Offer Expiration Date is extended or the Authority Offer is terminated. See “TERMS OF THE AUTHORITY OFFER – Acceptance of Tenders” herein.

SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following is a general summary of the U.S. federal income tax consequences for tendering Bondholders. No assurances can be given that future changes in U.S. federal income tax laws will not alter the conclusions reached herein. The discussion below does not purport to deal with U.S. federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular investor in the Bonds in light of the investor’s particular circumstances or to certain types of investors subject to special treatment under U.S. federal income tax laws. Tendering Bondholders should note that no rulings have been or will be sought from the Internal Revenue Service (the “*IRS*”), and no assurance can be given that the IRS will not take contrary positions, with respect to any of the U.S. federal income tax consequences discussed below. This U.S. federal income tax discussion is included for general information only and should not be construed as a tax opinion nor tax advice by the Authority or any of its advisors or agents to the Bondholders, and Bondholders therefore should not rely upon such discussion. Bondholders should consult with their own tax advisors regarding the tax consequences of tendering Bonds pursuant to this Tender Offer.

A Bondholder who tenders its Bonds for cash pursuant to this Tender Offer generally will recognize a gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized, which is generally the Purchase Price (not including Accrued Interest) received by the Bondholder, and the Bondholder’s adjusted tax basis in its tendered Bonds. Any gain or loss arising in connection with a taxable sale pursuant to this Tender Offer may be capital gain or loss or may be ordinary income or loss, depending on the particular circumstances of the Bondholder. Non-corporate holders may be eligible for reduced rates of U.S. federal income tax on long-term capital gains. The deductibility of capital losses is subject to various limitations. A Bondholder’s amount realized and adjusted tax basis are determined as set forth in the Internal Revenue Code of 1986, as amended, and Treasury Regulations promulgated thereunder.

DEALER MANAGER

The Authority has retained Goldman Sachs & Co. LLC (“*Goldman*”) to act on its behalf as Dealer Manager for the Authority Offer. The Authority has agreed to pay the Dealer Manager customary fees for its services and to reimburse the Dealer Manager for its reasonable out-of-pocket costs and expenses relating to the Authority Offer. References in this Offer to the Dealer Manager are to Goldman only in its capacity as the Dealer Manager. The compensation of the Dealer Manager is based upon the amount of Bonds tendered to and accepted by the Authority.

The Dealer Manager may contact Bondholders regarding the Authority Offer and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Offer to beneficial owners of the Bonds.

The Dealer Manager and its affiliates together comprise a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Dealer Manager and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the Authority for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities and financial instruments which may include bank loans and/or credit default swaps) for its own account and for the accounts of its customers and may at any time hold

long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of the Authority, including the Bonds. Affiliates of the Dealer Manager may have holdings of Bonds that they are unable to disclose for legal or regulatory reasons.

In addition to its role as Dealer Manager for the Bonds, Goldman is also serving as Senior Managing Underwriter for the Series 2025A Bonds as described in APPENDIX A.

The Dealer Manager is not acting as a financial or municipal advisor to the Authority in connection with the Tender Offer.

INFORMATION AGENT AND TENDER AGENT

The Authority has retained Globic Advisors Inc. to serve as Information Agent and Tender Agent for the Authority Offer. The Authority has agreed to pay the Information Agent and Tender Agent customary fees for its services and to reimburse the Information Agent and Tender Agent for its reasonable out-of-pocket costs and expenses relating to the Authority Offer.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters and the issuance of the Series 2025A Bonds will be passed upon by Nixon Peabody LLP, Bond Counsel to the Authority. The form of opinion of Bond Counsel to be delivered with the Series 2025A Bonds is set forth in Appendix H to the 2025A POS attached hereto as Appendix A. Certain legal matters will be passed upon for the Authority by William T. Denning, Esquire, General Counsel to the Authority. Certain legal matters will be passed upon for the Dealer Manager by its counsel Floyd & Driver, PLLC.

MISCELLANEOUS

No one has been authorized by the Authority, the Dealer Manager, or the Information Agent and Tender Agent to recommend to any Bondholder whether to tender Bonds pursuant to the Authority Offer or the amount of Bonds to tender. No one has been authorized to give any information or to make any representation in connection with the Authority Offer other than those contained in this Offer. Any recommendations, information and representations given or made cannot be relied upon as having been authorized by the Authority, the Dealer Manager or the Information Agent and Tender Agent.

None of the Authority, the Dealer Manager, or the Information Agent and Tender Agent make any recommendation that any Bondholder tender or refrain from tendering all or any portion of the principal amount of such Bondholder's Bonds. Bondholders must make their own decisions and should read this Offer carefully and consult with their broker, account executive, financial advisor, attorney and/or other professional in making their decisions.

Investors with questions about the Authority Offer should contact the Dealer Manager or the Information Agent and Tender Agent. The contact information for the Dealer Manager and the Information Agent and Tender Agent is as follows:

The Dealer Manager for the Authority Offer is:

Goldman Sachs & Co. LLC
2001 Ross Street
Dallas, TX 75201
Tel: (972) 368-4202
Attn: Gardner Smith
Email: gardner.smith@gs.com

The Information Agent and Tender Agent for the Authority Offer is:

Globic Advisors Inc.
477 Madison Avenue, 6th Floor
New York, New York 10022
Tel: (212) 227-9622
Attn: Robert Stevens
Email: rstevens@globic.com
Document Website: www.globic.com/ompa

APPENDIX A

PRELIMINARY OFFICIAL STATEMENT

In the opinion of Nixon Peabody LLP (“Bond Counsel”), under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by Oklahoma Municipal Power Authority described herein, interest on the Series 2025A Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is also of the opinion that such interest on the Series 2025A Bonds is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. Bond Counsel is further of the opinion that interest on the Series 2025A Bonds is exempt from income taxation imposed by the State of Oklahoma under the Oklahoma Income Tax Act. See “TAX MATTERS” herein regarding certain other tax considerations.



OKLAHOMA MUNICIPAL POWER AUTHORITY
\$248,680,000* Power Supply System Revenue and Refunding Bonds
Series 2025A

Dated: Date of Delivery

Due: January 1, as shown on the inside cover

The Power Supply System Revenue and Refunding Bonds, Series 2025A Bonds (the “Series 2025A Bonds”) of the Oklahoma Municipal Power Authority (the “Authority”) are being issued pursuant to the Act, as defined herein, and under and pursuant to the Authority’s Power Supply System Revenue Bond Resolution adopted on June 10, 1985, as supplemented and amended through and including the Thirty-Fourth Supplemental Power Supply System Revenue Bond Resolution, adopted August 14, 2025 (the “Resolution”). The Series 2025A Bonds will be issued in fully registered form in the denominations of \$5,000 or any integral multiple thereof. The Series 2025A Bonds when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, Brooklyn, New York (“DTC”). DTC will act as securities depository for the Series 2025A Bonds. Purchases of beneficial ownership interests in the Series 2025A Bonds will be made in book-entry form only. Beneficial owners of the Series 2025A Bonds will not receive physical delivery of certificates evidencing their ownership interest in the Series 2025A Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2025A Bonds. Interest on the Series 2025A Bonds is payable each January 1 and July 1, commencing January 1, 2026, as more fully described herein. So long as DTC or its nominee is the registered owner of the Series 2025A Bonds, payments of the principal of and interest on the Series 2025A Bonds will be made directly to DTC by BOKF, NA, Oklahoma City, Oklahoma, as the Trustee, Bond Registrar and Paying Agent. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC participants. See “THE SERIES 2025A BONDS” herein.

Maturity Schedule on Inside Cover

The Series 2025A Bonds are subject to redemption prior to maturity. See “THE SERIES 2025A BONDS” herein.

The Series 2025A Bonds are issued for the purpose of (i) paying for a portion of the Cost of Acquisition and Construction of the System (as defined in Appendix F), to wit: (a) the construction, improvement, refurbishment and rehabilitation of the System, including construction of new generating capacity, at facilities including the Kaw Project, the Redbud Generating Facility, and the Charles D. Lamb Energy Center, (b) the construction of a new warehouse at the Charles D. Lamb Energy Center and an administration building at the Ponca City Power Plant and, (c) other System improvements approved by the Authority’s Board of Directors, and (d) the reimbursement to the Authority for the costs expended in connection with the foregoing, including the payment of amounts under the Authority’s line of credit (collectively, the “Project”); (ii) refunding all or a portion of the Refunded Bonds (as defined herein); (iii) paying all or a portion of the purchase price of such portions of the Invited Bonds tendered to and accepted by the Authority upon the terms described in the Invitation (as defined herein); (iv) depositing funds in the Debt Service Reserve Account to satisfy the Debt Service Reserve Requirement; (v) paying premium for the Insurance Policy; (vi) paying up to three years of capitalized interest; and (vii) paying costs of issuance of the Series 2025A Bonds and the Invitation. See “FINANCING PLAN” herein.

The Series 2025A Bonds will constitute special obligations of the Authority, and the principal thereof and premium, if any, and interest thereon will be payable from and secured solely by the Revenues of the Authority derived from the ownership and operation of its power supply system and other moneys and securities pledged under the Resolution, subject to prior payment therefrom of operating expenses, as more fully described herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

The scheduled payment of principal of and interest on all or a portion of the Series 2025A Bonds when due will be guaranteed under an insurance policy (the “Insurance Policy”) to be issued concurrently with the delivery of the Series 2025A Bonds by Assured Guaranty Inc. (the “Bond Insurer”).



The Series 2025A Bonds will be payable solely from the Trust Estate and neither the State of Oklahoma nor any political subdivision thereof (other than the Authority), nor any Participating Trust which has contracted with the Authority, is obligated to pay the principal of, premium, if any, or interest on the Series 2025A Bonds and neither the faith and credit nor the taxing power of the State of Oklahoma or any political subdivision thereof or any such Participating Trust is pledged to the payment of the principal of or premium, if any, or interest on the Series 2025A Bonds. The Authority does not have any taxing power.

The Series 2025A Bonds are offered by the Underwriters pursuant to this Official Statement. The Series 2025A Bonds are offered when, as and if issued and received by the Underwriters, subject to the approval of legality by Nixon Peabody LLP, Bond Counsel to the Authority. Certain legal matters in connection with the Series 2025A Bonds are subject to the approval of William T. Denning, Esq., General Counsel to the Authority. Certain legal matters will be passed upon for the Underwriters by Floyd & Driver, PLLC, Counsel to the Underwriters. It is expected that the Series 2025A Bonds in definitive form will be available for delivery to DTC on or about October 23, 2025.

Goldman Sachs & Co. LLC

Raymond James

RBC Capital Markets

The date of this Official Statement is October __, 2025

*Preliminary, subject to change

\$248,680,000*
Power Supply System Revenue and Refunding Bonds
Series 2025A

Maturities, Amounts, Interest Rates and Yields

<u>Maturity</u> <u>January 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP[†]</u> <u>Base: 67910H</u>
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
\$ _____	% Term Bond due January 1, 2051; Yield _____%		CUSIP [†] : 67910H	
\$ _____	% Term Bond due January 1, 2056; Yield _____%		CUSIP [†] : 67910H	

[†] CUSIP[®] is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc., and are included solely for the convenience of the purchasers of the Series 2025A Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP[®] numbers are provided for convenience of reference only. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the Underwriters and are included solely for the convenience of the registered and beneficial owners of the Series 2025A Bonds. None of the Authority or the Underwriter, or any of their agents or counsel, are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2025A Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2025A Bonds.

*Preliminary, subject to change

OKLAHOMA MUNICIPAL POWER AUTHORITY
2701 West Interstate 35 Frontage Road
Edmond, Oklahoma 73013
(405) 340-5047

Board of Directors

Homer Nicholson.....	Chair	Jason McPherson.....	Elector
Jim Greff.....	Vice Chair	Kenzie Wheeler.....	Elector
Glenn Fisher	Secretary	Richard Raup.....	Elector
Gary Jones	Treasurer	Vacant	Elector
Kyle Davis	Elector	Nate Read	Elector
Patty Witchey	Elector		

Participating Trusts

Altus Municipal Authority (“Altus”)
Blackwell Municipal Authority (“Blackwell”)
Comanche Public Works Authority (“Comanche”)
Copan Public Works Authority (“Copan”)
The Duncan Utilities Authority (“Duncan”)
Edmond Public Works Authority (“Edmond”)
The Eldorado Public Works Authority (“Eldorado”)
Fairview Utilities Authority (“Fairview”)
Fort Supply Public Works Authority (“Fort Supply”)
The Frederick Public Works Authority (“Frederick”)
Geary Utilities Authority (“Geary”)
Goltry Public Works Authority (“Goltry”)
Granite Public Works Authority (“Granite”)
Hominy Public Works Authority (“Hominy”)
Kingfisher Public Works Authority (“Kingfisher”)
The Laverne Public Works Authority (“Laverne”)
Lexington Public Works Authority (“Lexington”)
Lindsay Public Works Authority (“Lindsay”)
Mangum Utilities Authority (“Mangum”)
Manitou Public Works Authority (“Manitou”)
Marlow Municipal Authority (“Marlow”)
Mooreland Public Works Authority (“Mooreland”)
New Cordell Utility Authority (“New Cordell”)
The Newkirk Municipal Authority (“Newkirk”)
Okeene Public Works Authority (“Okeene”)
The Olustee Public Works Authority (“Olustee”)
The Orlando Public Works Authority (“Orlando”)
Pawhuska Public Works Authority (“Pawhuska”)
Perry Municipal Authority (“Perry”)
Ponca City Utility Authority (“Ponca City”)
Pond Creek Public Works Authority (“Pond Creek”)
The Prague Public Works Authority (“Prague”)
Purcell Public Works Authority (“Purcell”)
The Ryan Utilities Authority (“Ryan”)
The Spiro Municipal Improvement Authority (“Spiro”)
The Tecumseh Utility Authority (“Tecumseh”)
Tonkawa Municipal Authority (“Tonkawa”)
Walters Public Works Authority (“Walters”)
Watonga Public Works Authority (“Watonga”)
Waynoka Utilities Authority (“Waynoka”)
Wetumka Municipal Authority (“Wetumka”)
The Wynnewood City Utilities Authority (“Wynnewood”)
Yale Water and Sewer Trust (“Yale”)

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations, other than as contained in this Official Statement, and if given or made, any such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025A Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the Authority and other sources which are believed to be reliable. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities under the Federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information and this Official Statement is not to be construed as the promise or guarantee of the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the information or opinions set forth herein after the date of this Official Statement.

This Official Statement contains statements that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words or phrases “believes,” “plans,” “anticipates,” “expects,” “intends,” “estimates,” “forecasts,” “should,” “projection,” “could,” “may,” “continues,” “might,” “potential,” “scheduled” or similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Any other statement that expresses the possibility of future activity, intent or result also is a forward-looking statement. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

Assured Guaranty Inc. (“AG”) makes no representation regarding the Series 2025A Bonds or the advisability of investing in the Series 2025A Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “Bond Insurance” and in “Appendix I - Specimen Municipal Bond Insurance Policy”.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
INVITATION	3
FINANCING PLAN	4
ESTIMATED SOURCES AND USES OF FUNDS	7
THE SERIES 2025A BONDS	7
General	7
Optional Redemption	8
Mandatory Redemption	8
Selection of Bonds to be Redeemed	8
Notice of Redemption	9
Book-Entry-Only System	9
Transfer and Exchange	12
BOND INSURANCE	12
Bond Insurance Policy	12
Assured Guaranty Inc.	12
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS	15
The Pledge and Security Interest Under the Resolution	15
Debt Service Reserve Account	15
Power Sales Contracts	16
Rate Covenant and Coverage Under the Resolution	17
Additional Bonds; Conditions to Issuance	18
SCHEDULED DEBT SERVICE REQUIREMENTS	19
RISKS OF BONDHOLDERS	20
General	20
Special Obligations	21
Bond Insurance	21
Limitations on Enforcement	22
Financial Information	22
Factors Related to the Electric Utility Industry	22
Environmental	23
Inflation Reduction Act and the Infrastructure Investment and Jobs Act	23
H.R. 1	23
Climate Risks	23
Tarrifs and Trade Restrictions	23
Business Disruption Risk	24
Security	24
Federal Tax Status of the Series 2025A Bonds	24
Ratings	25
Secondary Market	25
Book-Entry	25
Forward-Looking Statements	25
TAX MATTERS	26
LEGALITY FOR INVESTMENT	27
CERTAIN LEGAL MATTERS	28
LITIGATION	28
INDEPENDENT AUDITORS	28
VERIFICATION OF MATHEMATICAL COMPUTATIONS	28
UNDERWRITING	29
DEALER MANAGER	30
MUNICIPAL ADVISOR	30
RATINGS	30
CONTINUING DISCLOSURE	30
MISCELLANEOUS	31
SCHEDULE I DESCRIPTION OF PURCHASED BONDS	Schedule I-1
SCHEDULE II DESCRIPTION OF REFUNDED BONDS	Schedule II-1
APPENDIX A CERTAIN INFORMATION RELATING TO THE AUTHORITY, THE POWER SUPPLY PROGRAM AND THE PARTICIPATING TRUSTS	A-1
APPENDIX B AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY	B-1
APPENDIX C INFORMATION CONCERNING CERTAIN CO-OWNERS	C-1
APPENDIX D SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACTS	D-1

APPENDIX E	SUMMARY OF CERTAIN PROVISIONS OF THE DOLET HILLS AGREEMENT, THE PIRKEY AGREEMENT, THE MCCLAIN AGREEMENT, THE RED BUD AGREEMENT, THE TURK AGREEMENT AND THE UNIT POWER AGREEMENT	E-1
APPENDIX F	SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION	F-1
APPENDIX G	FORM OF CONTINUING DISCLOSURE UNDERTAKING	G-1
APPENDIX H	PROPOSED FORM OF OPINION OF BOND COUNSEL	H-1
APPENDIX I	SPECIMEN MUNICIPAL BOND INSURANCE POLICY	I-1

[THIS PAGE INTENTIONALLY LEFT BLANK]

OKLAHOMA MUNICIPAL POWER AUTHORITY

\$248,680,000* Power Supply System Revenue and Refunding Bonds Series 2025A

INTRODUCTION

This Official Statement, including the preceding pages and Appendices hereto, is provided to furnish information in connection with (a) the Offer to Tender Bonds, dated September 18, 2025 (the “Invitation”), of the Oklahoma Municipal Power Authority (the “Authority”) a governmental agency and body politic and corporate of the State of Oklahoma (the “State”), inviting holders of certain bonds of the Authority which are described under the captions “INVITATION” and “FINANCING PLAN” to tender such bonds for purchase by the Authority; and (b) the offering, sale and delivery by the Authority of its Power Supply System Revenue and Refunding Bonds, Series 2025A (the “Series 2025A Bonds”).

The Series 2025A Bonds are to be issued pursuant to the Oklahoma Municipal Power Authority Act, 11 O.S. 2021, §§ 24-101 *et seq.*, as amended from time to time (the “Act”), and the Authority’s Power Supply System Revenue Bond Resolution adopted on June 10, 1985, as supplemented and amended through and including the Thirty-Fourth Supplemental Power Supply System Revenue Bond Resolution adopted on August 14, 2025 (the “Thirty-Fourth Supplemental Resolution”). This Official Statement refers to such Power Supply System Revenue Bond Resolution, as supplemented and amended to the date hereof, including by the Thirty-Fourth Supplemental Resolution, as the “Resolution.”

The Series 2025A Bonds are issued for the purpose of (i) paying for a portion of the Cost of Acquisition and Construction of the System (as defined in Appendix F), to wit: (a) the construction, improvement, refurbishment and rehabilitation of the System, including construction of new generating capacity, at facilities including the Kaw Project, the Redbud Generating Facility, and the Charles D. Lamb Energy Center, (b) the construction of a new warehouse at the Charles D. Lamb Energy Center and an administration building at the Ponca City Power Plant, (c) other System improvements approved by the Authority’s Board of Directors, and (d) the reimbursement to the Authority for the costs expended in connection with the foregoing, including the payment of amounts under the Authority’s line of credit (collectively, the “*Project*”); (ii) refunding all or a portion of the Refunded Bonds (as defined herein); (iii) paying all or a portion of the purchase price of such portions of the Invited Bonds tendered to and accepted by the Authority upon the terms described in the Offer; (iv) depositing funds in the Debt Service Reserve Account to satisfy the Debt Service Reserve Requirement; (v) paying premium for the Insurance Policy; (vi) paying up to three years of capitalized interest; and (vii) paying costs of issuance of the Series 2025A Bonds and the Invitation. The capitalized term Tendered Bonds is defined herein under the caption “INVITATION.” See “FINANCING PLAN” herein.

Other series of Power Supply System Revenue Bonds and Notes have been, and in the future may be, issued by the Authority and secured on a parity with the Series 2025A Bonds under the Resolution (collectively with the Series 2025A Bonds, the “Bonds”). As described more fully under “OUTSTANDING BONDS AND OTHER INDEBTEDNESS—Outstanding Parity Bonds” in Appendix A hereto, six series of the Bonds (Series 2010B, Series 2014B, Series 2016A, Series 2019A, Series 2021A, and Series 2021B) are Outstanding, as such term is defined in the Resolution, as of the date hereof in the aggregate principal amount of \$486,703,000. As further described under “FINANCING PLAN”, some of said Bonds may be purchased or refunded with proceeds of the Series 2025A Bonds and certain other available funds of the Authority, at the determination of the Authority. The Resolution permits, upon compliance with certain conditions, the issuance of additional Bonds (“Additional Bonds”) for the purpose of financing costs incurred or to be incurred by the Authority in connection with its power supply system and the refunding of its Bonds.

*Preliminary, subject to change

The Authority was created by the Oklahoma Legislature in 1981 as a body politic and corporate for the purpose of providing adequate, reliable and economic sources of electric power and energy to Oklahoma municipalities and public trusts operating municipal electric systems. Under the Act, the Authority is a governmental agency of the State of Oklahoma and a body politic and corporate with the powers, in addition to other powers, to: (1) acquire, construct and operate generation and transmission facilities, (2) purchase, sell, exchange and transmit electric energy within and without the State of Oklahoma and (3) issue its obligations, including the Bonds, to carry out any of its corporate purposes and powers. The Act authorizes the Authority to exercise the power of eminent domain in the acquisition of certain property. Property of the Authority is exempt from Oklahoma property taxes. The Authority does not have any taxing power. See “THE AUTHORITY” in Appendix A hereto.

The Authority has entered into individual power sales contracts (collectively, the “Power Sales Contracts”) with the 43 public trusts located in the State of Oklahoma listed on the inside cover of this Official Statement (collectively, the “Participating Trusts”). The Authority most recently entered into a new contract during 2020 with the Lindsay Public Works Authority (“Lindsay”). Service to Lindsay commenced on June 1, 2025. Each Participating Trust operates a municipal electric system which has been leased by a municipal beneficiary to the Participating Trust pursuant to a lease which has a term no less than the primary term of the Power Sales Contract. See “THE PARTICIPATING TRUSTS” in Appendix A hereto and see “SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACTS” in Appendix D hereto.

To meet its power supply responsibilities, the Authority has several power supply and transmission resources consisting generally of plant ownership positions, transmission agreements, long-term purchase agreements and power purchase and supply arrangements (referred to collectively herein as the “Power Supply Program”) described under “THE POWER SUPPLY PROGRAM” in Appendix A hereto.

Also see “CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY” in Appendix A hereto.

See “MANAGEMENT DISCUSSION OF RECENT UNAUDITED FINANCIAL INFORMATION” in Appendix A hereto for selected financial information extracted from internal unaudited accounting records of the Authority.

See Appendix B hereto for audited financial statements of the Authority as of and for the years ended December 31, 2024 and 2023.

The purchase of the Series 2025A Bonds involves certain investment risks that are discussed throughout this Official Statement. Accordingly, each prospective purchaser of the Series 2025A Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. The discussion of certain risks is not intended to be exhaustive and should be read in conjunction with this entire Official Statement including the Appendices hereto. See “RISKS OF BONDHOLDERS” herein.

The references herein to the Act, the Resolution, the Power Sales Contracts and certain other contracts are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to the Act, the Resolution, the Power Sales Contracts and such other contracts for full and complete statements of such provisions. Copies of such documents are on file at the offices of the Authority and may be obtained upon request. See Appendix F hereto for a summary of certain provisions of the Resolution. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Resolution and as set forth in “Summary of Certain Provisions of the Resolution—Definitions” in Appendix F hereto.

INVITATION

The Authority commenced on September 18, 2025 an Invitation to the beneficial owners (the “Invited Bond Owners”) of certain maturities of the following Series of Bonds (the “Invited Bonds”), with such maturities set forth in Schedule I attached hereto:

- \$172,015,000 Power Supply System Revenue Refunding Bonds, Series 2021B (Federally Taxable)(the “Series 2021B Bonds”)
- \$124,315,000 Power Supply System Revenue Refunding Bonds, Series 2016A (the “Series 2016A Bonds”)

In the Invitation, the Authority invited the Invited Bond Owners to offer to sell to the Authority for cash their beneficial ownership interests in the Invited Bonds.

Pursuant to the Invitation, the Invited Bond Owners may tender for cash (the “Tender Offer” or “Offer”), and, subject to the conditions set forth therein, the Authority expects to purchase all or a portion of the offered Invited Bonds (the “Tendered Bonds”) at the purchase price set forth in the Tender Offer. Tendered Bonds which the Authority purchases pursuant to the Invitation will be cancelled. The purpose of the Tender Offer and the purchase of the Tendered Bonds is to give the Authority the opportunity to purchase and retire the Tendered Bonds with the proceeds of the Series 2025A Bonds on the date of issuance of the Series 2025A Bonds (the “Settlement Date”). Funds to purchase the Tendered Bonds, and to pay for the costs of the Invitation, will be provided from proceeds of the Series 2025A Bonds and certain other available funds of the Authority at the determination of the Authority.

A portion of the proceeds of the Series 2025A Bonds will be applied to purchase for cash the Invited Bonds set forth in Schedule I hereto (the “Purchased Bonds”) on October 23, 2025.

The Authority may, subject to market conditions, refund and defease to the applicable maturity date some or all of the Series 2021B Bonds not tendered for purchase by the holders thereof or tendered for purchase and not accepted by the Authority up to and including the 2030 maturity; in such case the Authority would deposit with the Trustee funds sufficient to pay the interest on and principal of such Series 2021B Bonds when due.

The Authority has retained Globic Advisors Inc. to serve as the “Information Agent and Tender Agent” for the Tender Offer. The Authority has agreed to pay the Information Agent and Tender Agent customary fees for its services and to reimburse the Information Agent and Tender Agent for its reasonable out-of-pocket costs and expenses relating to the Tender Offer. Individual investors and their brokers, account executives, financial advisors and/or other appropriate professionals with questions about the Tender Offer should contact the Information Agent and Tender Agent or the Dealer Manager.

This section is not intended to summarize all of the terms of the Tender Offer and reference is made to the Invitation for a discussion of the terms of the Tender Offer and the conditions for settlement of the Invited Bonds validly tendered and accepted for purchase.

FINANCING PLAN

New Money

A portion of the proceeds of the Series 2025A Bonds will be used to pay a portion of the cost of acquisition and construction of the System, including costs of the construction, renovating, remodeling, equipping, and/or acquisition of the following projects:

1. *New Generating Capacity*

The addition of approximately 124MW of natural gas-fired, simple cycle generation at the existing Charles D. Lamb Energy Center.

2. *Kaw Project*

A major rehabilitation project replacing all electrical systems, controls upgrade, and other mechanical improvements.

3. *Redbud Generating Facility*

Capacity upgrades to the existing turbines (an increase of approximately 24MW) and other major capital improvements such as steam generator replacements, colling tower rebuilds, and STG Blade & Seal replacements.

4. *Charles D. Lamb Energy Center GSU Transformer*

The purchase of a spare generator step-up transformer and will also include expansion of a transmission substation.

5. *Ponca City Power Plant – New Administration Building*

The construction of a new administration building at the Ponca City generating facility, which also serves the Kaw Plant and the Lamb Plant. It is also possible that turbines at the Ponca City generating facility may be converted to dual fuel to hedge against natural gas prices.

6. *Charles D. Lamb Energy Center – New Warehouse*

A major overhaul and capacity upgrade to the Lamb turbine-generator, and the construction of a new warehouse.

A portion of the proceeds of the Series 2025A Bonds will be used to reimburse the Authority for costs expended in connection with the projects listed above, including the payment of amounts under the Authority's line of credit.

Refunding

The Authority will select the particular Power Supply System Revenue Refunding Bonds Series 2014B (the "Series 2014B Bonds"), Series 2016A Bonds, and Series 2021B Bonds to be refunded through the issuance of the 2025A Bonds at or about the time of the pricing of the 2025A Bonds and such selection will be based upon, among other things, market conditions existing at such time. Such Series 2014B Bonds, Series 2016A Bonds, and Series 2021B Bonds which are selected by the Authority are referred to herein as the "Refunded Bonds." See Schedule II for a description of the Refunded Bonds. No assurance can be

given as to which Series 2014B Bonds, Series 2016A Bonds, and Series 2021B Bonds will be selected for refunding.

Further, proceeds of the Series 2025A Bonds, together with other available funds of the Authority at the discretion of the Authority, subject to market conditions, may be applied to defease to the applicable maturity date some or all of the Series 2021B Bonds not tendered for purchase by the holders thereof or tendered for purchase and not accepted by the Authority up to and including the 2030 maturity; meaning the Authority shall deposit with the Trustee funds sufficient to pay the interest on and principal of such Series 2021B Bonds when due (which Series 2021B Bonds, if any remain unpurchased, shall be included in the definition of the “Refunded Bonds”). In addition, proceeds of the Series 2025A Bonds will be used to pay the premiums for the Insurance Policy, as well as to pay certain costs of issuance for the Series 2025A Bonds and the Invitation.

Pursuant to an Escrow Agreement, dated as of the date of delivery of the Series 2025A Bonds (the “Escrow Agreement”), by and between the Authority and BOKF, NA, as trustee for the Refunded Bonds (in such capacity, the “Escrow Agent”), the Authority will cause the Trustee to deposit into an escrow fund (the “Escrow Fund”) a portion of the proceeds of the Series 2025A Bonds together with certain available funds of the Authority. Moneys in the Escrow Fund will be invested in obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America and, together with investment income thereon, will be used to pay the regularly scheduled payments of interest on the Refunded Bonds through the applicable redemption dates and to redeem such Refunded Bonds on the applicable redemption dates at a price of par, without premium (the “Redemption Price”). The amount so deposited with the Escrow Agent under the Escrow Agreement is pledged solely for and will be available only for the payment of the Refunded Bonds and will not be available for the payment of the Series 2025A Bonds. After the deposit of such amount under the Escrow Agreement, subject to the conditions set forth in the Resolution, the Authority will be discharged from all payment obligations with respect to the Refunded Bonds.

The sufficiency of the deposits in the Escrow Fund for such purposes will be verified by Robert Thomas CPA, LLC, Minneapolis, Minnesota (the “Verification Agent”), and the Verification Agent will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Municipal Advisor (defined herein) relating to the adequacy of the moneys deposited in the Escrow Fund to make the regularly scheduled payments of interest on the Refunded Bonds and to pay on the applicable redemption dates the Redemption Price of such Refunded Bonds.

Tender

Additionally, under the terms of the Invitation, made by the Authority with the assistance of Goldman Sachs & Co. LLC as dealer manager (in such capacity, the “Dealer Manager”), holders of the Invited Bonds are invited to tender the Invited Bonds for purchase at the respective prices described in the Invitation, all subject to certain conditions described in the Invitation to Tender.

The terms of the Invitation provided that all tenders for purchase must be made on or before October 3, 2025 (as such date may be extended, the “Expiration Date”). Immediately following the Expiration Date, the Authority will determine whether to accept the Invited Bonds tendered for purchase, and that determination will affect the sizing of the Series 2025A Bonds.

Some or all of the Series 2021B Bonds constituting Invited Bonds that are not tendered for purchase or tendered and not accepted by the Authority may, subject to market conditions, be refunded and defeased to the applicable maturity date up to and including the 2030 maturity of such Series 2021B Bonds, from

proceeds of the Series 2025A Bonds, or other funds of the Authority at the discretion of the Authority, as further described herein.

[Remainder of this page intentionally left blank]

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the issuance of the Series 2025A Bonds are shown in the following tables:

Sources of Funds:

Principal Amount of the Series 2025A Bonds	\$
[Net] Premium	
Debt Service Fund	
Debt Service Reserve Fund	
Total Sources of Funds	\$

Uses of Funds:

Construction Fund	\$
Capitalized Interest	
Debt Service Reserve Fund	
Deposit to the Escrow Account	
Purchase Price of the Invited Bonds Purchased	
Costs of Issuance ⁽¹⁾	
Total Uses of Funds	\$

¹ Includes an underwriting discount of \$_____ with respect to the Series 2025A Bonds, Bond Insurance premiums, fees for legal counsel and other expenses, the payment of some of which is contingent upon the issuance of the Series 2025A Bonds.

THE SERIES 2025A BONDS

General

The Series 2025A Bonds will be dated as of the date of their original issuance and delivery (the “Dated Date”) and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. The Series 2025A Bonds will be issued as fully registered bonds, initially in book entry only form, in denominations of \$5,000 or any integral multiple thereof.

The Series 2025A Bonds bear interest at the rates set forth on the inside cover page of this Official Statement. Interest on the Series 2025A Bonds is payable semiannually on each January 1 and July 1, commencing January 1, 2026* (each, an “Interest Payment Date”), or if such date is not a business day, on the next succeeding business day with no additional interest, to the registered owners as of the regular record date, which is the 15th day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the “Regular Record Date”). Interest on the Series 2025A Bonds is computed on the basis of a 360-day year of twelve 30-day months. Interest on the Series 2025A Bonds accrues from the Dated Date. The Depository Trust Company (“DTC”) shall act as securities depository (the “Depository”) for the Series 2025A Bonds. So long as DTC is acting as Depository, the principal of, premium, if any, and interest on the Series 2025A Bonds shall be payable as directed by the Depository.

BOKF, NA, is the Trustee under the Resolution (in such capacity, the “Trustee”) and the Bond Registrar and Paying Agent for the Series 2025A Bonds (in such capacities, the “Bond Registrar” and “Paying Agent,” respectively).

Optional Redemption

The Series 2025A Bonds maturing on and after January 1, 2037*, will be subject to optional redemption prior to maturity, upon notice as provided in the Resolution, at the option of the Authority, on and after January 1, 2036*, as a whole or in part (if in part, the maturities to be redeemed, or the portions of such maturities, to be selected by the Authority in its sole discretion) at any time, in each case at the redemption price of 100% of the principal amount of the Series 2025A Bonds or portions thereof to be redeemed, payable only from any available funds of the Authority, including from excess amounts in the Debt Service Reserve Account in the Debt Service Fund resulting from any such redemption, together with accrued interest to the redemption date.

Mandatory Redemption

The Series 2025A Bonds maturing on January 1, 2051* shall be redeemed prior to maturity (or paid at maturity), not later than January 1 in the sinking fund installments, and within a maturity by lot, set forth below, without premium, together with the interest accrued to the date fixed for redemption.

2051* Term Bonds

Due January 1	Principal Amount
2047	\$
2048	
2049	
2050	
2051 [†]	

[†] Maturity.

The Series 2025A Bonds maturing on January 1, 2056* shall be redeemed prior to maturity (or paid at maturity), not later than January 1 in the sinking fund installments, and within a maturity by lot, set forth below, without premium, together with the interest accrued to the date fixed for redemption.

2056* Term Bonds

Due January 1	Principal Amount
2052	\$
2053	
2054	
2055	
2056 [†]	

[†] Maturity.

Upon the purchase or redemption of Series 2025A Bonds for which mandatory sinking fund installments have been established, other than by reason of the mandatory sinking fund installment redemption described above, an amount equal to the principal amount of the Series 2025A Bonds so purchased or redeemed shall be credited toward each of the mandatory sinking fund installments with respect to such Series 2025A Bonds in such order as may be designated by the Authority.

Selection of Bonds to be Redeemed

If less than all of the Series 2025A Bonds are to be redeemed, the particular maturities of Series 2025A Bonds to be redeemed at the option of the Authority will be determined by the Authority in its sole discretion.

In the event that less than all of the Series 2025A Bonds of a maturity are to be redeemed, the portion of such Series 2025A Bonds to be redeemed will be selected by the Trustee in such manner as the Trustee shall deem appropriate and fair; provided, however, such Series 2025A Bonds to be redeemed shall be redeemed in denominations of \$5,000 or any integral multiple thereof. In such event, for so long as a book-entry-only system is in effect with respect to the Series 2025A Bonds, DTC or its successor, and direct or indirect DTC participants, will determine the particular ownership interests of Series 2025A Bonds of such maturity to be redeemed. Any failure of DTC or its successor, or of a direct or indirect DTC participant, to make such determination will not affect the sufficiency or the validity of the redemption of Series 2025A Bonds to be redeemed. See “Book-Entry-Only System” herein.

Notice of Redemption

Notice of redemption is to be mailed, not less than 30 days prior to the redemption date, but failure to receive any such notice shall not affect the sufficiency or the validity of the redemption proceedings.

Any notice of optional redemption of Series 2025A Bonds may state that it is conditioned upon receipt by the Trustee of moneys sufficient to pay the redemption price of such Series 2025A Bonds or upon the satisfaction of any other condition or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Trustee to affected Holders of Series 2025A Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

For so long as a book-entry-only system is in effect with respect to the Series 2025A Bonds, notice of redemption, or notice of rescission of any conditional notice of redemption, of Series 2025A Bonds to be redeemed is to be mailed to DTC or its nominee or its successor. Any failure of DTC or its successor, or of a direct or indirect DTC participant, to notify a beneficial owner of Series 2025A Bonds of any redemption will not affect the sufficiency or validity of the redemption of the Series 2025A Bonds to be redeemed. See “Book-Entry-Only System” herein. Neither the Authority nor the Trustee can give any assurance that DTC or its successor, or direct or indirect DTC participants, will distribute such redemption notices to the beneficial owners of the Series 2025A Bonds, or that they will do so on a timely basis.

Book-Entry-Only System

The information in this section concerning The Depository Trust Company (“DTC”) and DTC’s book-entry-only system has been obtained from DTC and the Authority and the Underwriters take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2025A Bonds. The Series 2025A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Series 2025A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also

facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission ("SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of Series 2025A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2025A Bonds, except in the event that use of the book-entry system for the Series 2025A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2025A Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2025A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Series 2025A Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments on the Series 2025A Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2025A Bonds at any time by giving reasonable notice to the Authority. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2025A Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository), subject to DTC procedures. In that event, Series 2025A Bond certificates will be printed and delivered.

The Authority, the Paying Agent and the Underwriters cannot and do not give any assurances that the DTC Participants will distribute to the Beneficial Owners of the Series 2025A Bonds: (i) payments of principal of or interest on the Series 2025A Bonds; (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in the Series 2025A Bonds; or (iii) notices sent to DTC or its nominee, as the registered owners of the Series 2025A Bonds; or that they will do so on a timely basis or that DTC or its participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the SEC and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the Authority, the Paying Agent or the Underwriters will have any responsibility or obligation to such DTC Participants (Direct or Indirect) or the persons for whom they act as nominees with respect to: (i) the Series 2025A Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the Series 2025A Bonds; (iv) the delivery by any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Resolution to be given to registered owners; or (v) any consent given or other action taken by DTC as registered owner.

Beneficial Owners of Series 2025A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025A Bonds, such as tenders, defaults, and proposed amendments to the Resolution. For example, Beneficial Owners of Series 2025A Bonds may wish to ascertain that the nominee holding the Series 2025A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

In reading this Official Statement, it should be understood that while the Series 2025A Bonds are in the book-entry system, references in other sections of this Official Statement to registered owner should be read to include the Beneficial Owners of the Series 2025A Bonds, but: (i) all rights of ownership must

be exercised through DTC and the book-entry system; and (ii) notices that are to be given to registered owners by the Authority or the Paying Agent will be given only to DTC.

Transfer and Exchange

So long as the book-entry system is in effect, Beneficial Owners may transfer their interests in the Series 2025A Bonds through the book-entry system. In the event of a discontinuance of the book-entry system, the Series 2025A Bonds may be transferred or exchanged only upon the registration books of the Bond Registrar, subject to the restrictions described below.

The Authority and the Bond Registrar are not required to (i) transfer or exchange any Series 2025A Bonds during the period from and including any Regular Record Date (or, in the event of any late payment of interest on the Series 2025A Bonds, any special record date fixed by the Trustee pursuant to the Resolution), to and including the next succeeding interest payment date; or for a period of 15 days next preceding any selection of Series 2025A Bonds to be redeemed or thereafter until after the first mailing of any notice of redemption, or (ii) to transfer, exchange or register any Series 2025A Bonds called for redemption. For every exchange or transfer of Series 2025A Bonds, the Authority or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Series 2025A Bonds, Assured Guaranty Inc. (“AG”) will issue its Municipal Bond Insurance Policy (the “Insurance Policy”) for all or a portion of the Series 2025A Bonds (the “Insured Bonds”). The Insurance Policy guarantees the scheduled payment of principal of and interest on such Insured Bonds when due as set forth in the form of the Insurance Policy included as an appendix to this Official Statement.

The Insurance Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL” and together with its subsidiaries, “Assured Guaranty”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO.” AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“KBRA”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies

may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On August 4, 2025, KBRA announced that it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On June 30, 2025, S&P announced that it had affirmed AG's financial strength rating of "AA" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At June 30, 2025:

- The policyholders' surplus of AG was approximately \$3,514 million.
- The contingency reserve of AG was approximately \$1,453 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,437 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The

net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the “SEC”) that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (filed by AGL with the SEC on February 28, 2025);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (filed by AGL with the SEC on May 9, 2025); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 (filed by AGL with the SEC on August 8, 2025).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof “furnished” under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC’s website at <http://www.sec.gov>, at AGL’s website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL’s website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption “BOND INSURANCE – Assured Guaranty Inc.” or included in a document incorporated by reference herein (collectively, the “AG Information”) shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Series 2025A Bonds or the advisability of investing in the Series 2025A Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “BOND INSURANCE”.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Pledge and Security Interest Under the Resolution

The Series 2025A Bonds, together with all other Outstanding Bonds and any Additional Bonds, will be payable from and secured by a pledge of and security interest in (i) the proceeds of the sale of the Series 2025A Bonds, (ii) the Revenues of the Authority, and (iii) all Funds established by the Resolution (other than any Decommissioning Fund which may be established and any debt service reserve which may be established for Subordinated Indebtedness, whether or not included as part of the Subordinated Indebtedness Fund), including the investments and income thereof (collectively, the “Trust Estate”), subject to the provisions of the Resolution permitting application thereof for the purposes and on the terms and conditions set forth in the Resolution. For a description of the Funds and Accounts created by the Resolution and other provisions of the Resolution, including definitions of certain terms used in the Resolution, see Appendix F hereto.

The Series 2025A Bonds will be payable solely from the Trust Estate and neither the State of Oklahoma nor any political subdivision thereof (other than the Authority), nor any Participating Trust which has contracted with the Authority, is obligated to pay the principal of, premium, if any, or interest on the Series 2025A Bonds and neither the faith and credit nor the taxing power of the State of Oklahoma or any political subdivision thereof or any such Participating Trust is pledged to the payment of the principal of or premium, if any, or interest on the Series 2025A Bonds. The Authority does not have any taxing power.

Debt Service Reserve Account

The Debt Service Reserve Account is required to be maintained in an amount equal to the Debt Service Reserve Requirement. The Debt Service Reserve Requirement is defined in the Resolution as an amount equal to one-half of the greatest amount of Adjusted Aggregate Debt Service coming due on Outstanding Bonds in the current or any future calendar year. Amounts in the Debt Service Reserve Account are to be used to make up any deficiencies in deposits in the Debt Service Account for the payment of debt service on the Bonds. The Resolution requires that upon the issuance of each series of Bonds there be deposited into the Debt Service Reserve Account in the Debt Service Fund the amount necessary so that the amount on deposit in such Account will equal the Debt Service Reserve Requirement calculated immediately after the issuance of such series of Bonds. See Appendix F hereto for a description of the method of valuation of Investment Securities in the Debt Service Reserve Account.

Investment Securities in the Debt Service Reserve Account are valued as of each December 31 or at such other times as the Authority shall determine. If the amount in the Debt Service Reserve Account as of any valuation date is less than the Debt Service Reserve Requirement for any reason other than moneys having been transferred to the Debt Service Account, the deficiency is to be made up in equal monthly installments over the ensuing 12-month period. As of the December 31, 2024, valuation date, the Debt Service Reserve Requirement was satisfied and consisted solely of cash and investments.

In lieu of the required deposits or transfers of moneys to the Debt Service Reserve Account, the Authority, subject to certain conditions contained in the Resolution, may cause to be deposited into the Debt Service Reserve Account for the benefit of the holders of the Bonds an irrevocable surety bond, insurance policy, letter of credit or any other similar obligation in an amount equal to the difference between the Debt Service Reserve Requirement and the sums of moneys or value of Investment Securities then on deposit in the Debt Service Reserve Account, if any.

In the event of the refunding of any Bonds, all or any portion of amounts accumulated in the Debt Service Reserve Account with respect to the Bonds being refunded may be withdrawn for the payment of the principal or Redemption Price, if applicable, and interest on the Bonds being refunded; provided that such withdrawal shall not be made unless (a) immediately thereafter the Bonds being refunded shall no longer be Outstanding under the Resolution and (b) the amount remaining in the Debt Service Reserve Account, after giving effect to any surety bond, insurance policy, letter of credit or other similar obligation deposited in such Account, after such withdrawal shall not be less than the Debt Service Reserve Requirement.

Power Sales Contracts

Each Power Sales Contract between the Authority and a Participating Trust requires the Authority to supply to the Participating Trust, and the Participating Trust to take from the Authority, power and energy in the amounts and during the periods described in Appendix A hereto under “THE AUTHORITY—Power Supply Operations” and in Appendix D hereto. Under the terms of the Power Sales Contracts, the Authority has the responsibility of supplying the total power and energy requirements of each Participating Trust, with the exception of the sixteen Participating Trusts with Southwestern Power Administration (“SWPA”) allocations, for whom the Authority provides the total power and energy requirements above their respective SWPA allocations. The term of each Power Sales Contract extends until terminated upon prior notice by either party; such notice is fifteen years for 37 of the Participating Trusts pursuant to amendments to the Power Sales Contracts. Additionally, the Power Sales Contracts with the Fort Supply Public Works Authority, the Mooreland Public Works Authority, the New Cordell Utility Authority, the Orlando Public Works Authority and the Watonga Public Works Authority provided for the fifteen year notice of termination. The contract with the Lindsey Public Works Authority provides that any notice provided prior to December 31, 2025, shall be deemed effective December 31, 2040. If notice is not received from Lindsey Public Works Authority prior to December 31, 2025, then the fifteen year notice period applies. If notice to terminate is given by any Participating Trust subsequent to any issuance of debt, the Authority, at its option, may increase such Participating Trust’s rates to recover its share of the debt service costs by the termination date. In making any such determination, the Authority first shall mitigate any adverse consequences caused by such termination notice.

The Authority is authorized to set rates which will produce revenues sufficient, but only sufficient, together with other available funds, to provide for the Authority’s estimated revenue requirements which include, without limitation, operation and maintenance costs, debt service on the Bonds, deposits required to be made into the Funds established under the Resolution and such additional amounts as are necessary to satisfy any debt service coverage requirement in the Resolution or which the Authority may deem desirable in the marketing of the Bonds. ***As defined in the Power Sales Contracts, revenue requirements do not include any principal, premium, if any, or interest on Bonds due solely by virtue of the acceleration of such Bonds.*** The Authority is required to give notice to the Participating Trusts at least 60 days prior to the implementation of any change in rates. Each Participating Trust is required to make payments under its Power Sales Contract from the revenues of its municipal electric system (or any integrated utility system of which the electric system is a part) and from other funds of such system legally available therefor and such payments will be made as operating expenses of such system. Obligations may be issued by the Participating Trust payable superior to the payment of operating expenses upon satisfaction of a specified projected revenue test. See “Restrictions on Disposition of Electrical System, Sales for Resale, Other Obligations” in Appendix D hereto.

Each Participating Trust operates the municipal electric system which has been leased by the municipal beneficiary to the Participating Trust pursuant to a lease which has a term no less than the term of the Power Sales Contract. Each lease may not be terminated prior to the end of its primary term, except that each of the individual leases between Altus, Comanche, Duncan, Edmond, Eldorado, Frederick, Granite, Kingfisher, Laverne, Mangum, Mooreland, Olustee, Orlando, Prague, Spiro, Tecumseh, and Wynnewood and their respective municipal beneficiaries contains provisions for termination prior to the end of its primary term if the Participating Trust defaults in the performance of its obligations thereunder. In the opinion of the Authority's general counsel, in the event a Participating Trust should take or fail to take an action of the character which would result in a default under its respective lease permitting the early termination thereof, such act or failure to act would also constitute a breach of covenants by such Participating Trust under its Power Sales Contract. The Authority has covenanted in the Power Sales Contracts to at all times maintain and promptly and vigorously enforce its rights against any Participating Trust which does not pay its charges due for power and energy supplied by the Authority pursuant to the Power Sales Contracts. In the opinion of the Authority's general counsel, the Authority's remedies, at law or in equity, would permit the Authority to cure or cause to be cured any default under such Power Sales Contract and, accordingly, under the respective lease; provided, as set forth in the Power Sales Contracts, any such curative action involving the expenditure of moneys shall not require a Participating Trust to expend any funds which are derived from sources other than the operation of its electric system or integrated utility system of which the electric system is a part.

As described more fully in Appendix D hereto, the Authority's remedies following the failure by a Participating Trust to pay any amount due under its Power Sales Contract include discontinuing service to such Participating Trust upon 15 days' advance written notice and, if the amount remains unpaid 120 or more days after the due date, terminating the Power Sales Contract upon 30 days' advance written notice. If necessary, in determining rates, the Authority shall take into account any anticipated delinquency or default in payments by Participating Trusts under the Power Sales Contracts. Any such rate revision is subject to the 60 day notice period referred to in the second paragraph of this section.

Pursuant to the Power Sales Contracts, each Participating Trust has agreed to maintain rates for the sale of power and energy which shall provide to the Participating Trust revenues, which, together with other funds estimated to be available, will be sufficient to meet its obligations to the Authority thereunder and all other operating expenses of its electric or integrated utility system, and to pay all obligations payable from, or constituting a lien or charge on, the revenues of its electric or integrated utility system. For a more complete description of the Power Sales Contracts, see Appendix D hereto. For further information regarding regulation of the Authority's and the Participating Trusts' rates, see "THE AUTHORITY—Rate Regulation" and "THE PARTICIPATING TRUSTS—Rate Regulation of the Participating Trusts" in Appendix A hereto.

The Authority may not amend or consent to any waiver of any provision of the Power Sales Contracts unless certain conditions are met. See "Certain Other Covenants—Power Sales Contracts; Amendment" in Appendix F hereto.

Rate Covenant and Coverage Under the Resolution

The Authority has agreed under the Resolution to establish and collect rents, rates, and charges under the Power Sales Contracts and otherwise to charge and collect rents, rates and charges for the use or sale of the output, capacity or service of its power supply system which, together with other available Revenues, are reasonably expected to yield Net Revenues for the 12-month period commencing with the effective date of such rents, rates and charges equal to at least 1.10 times the Aggregate Debt Service on all Bonds for such period and, in any event, sufficient, together with other available funds, to pay all other indebtedness, liens, and charges payable out of Revenues. For purposes of such covenant, amounts required

to pay Refundable Principal Installments may be excluded from Aggregate Debt Service to the extent that the Authority intends to make such payments from sources other than Revenues. Payments made by the Authority to GRDA pursuant to each of the Unit Power Sales Agreement and Power Purchase and Sale Agreement discussed under “THE POWER SUPPLY PROGRAM” in Appendix A hereto will not constitute Operation and Maintenance Expenses of the Authority and will be payable out of the General Reserve Fund under the Resolution. All other payments under current agreements for the purchase of power and the operation of generating units in which the Authority has an ownership interest will be Operation and Maintenance Expenses of the Authority. The Authority is required to review and, if necessary, revise its rents, rates, and charges upon the occurrence of a material change in circumstances, but in any case at least once every 12 months. See Appendix F hereto for definitions of the terms “System,” “Revenues,” “Net Revenues,” “Aggregate Debt Service” and “Refundable Principal Installment.” See “Covenant as to Rents, Rates and Other Charges” in Appendix F hereto.

Additional Bonds; Conditions to Issuance

The Authority may issue Additional Bonds for the purpose of paying all or a portion of the cost of Acquisition and Construction (as defined in Appendix F hereto) of the System or for the purpose of refunding Outstanding Bonds. All series of Additional Bonds will be payable from the same sources and secured on a parity with all other Outstanding Bonds. Set forth below are certain conditions applicable to the issuance of Additional Bonds. In addition, the Authority entered into a \$15,000,000 Line of Credit facility with Bank of America, National Association, (the “Line of Credit”) expiring in 2026, secured on a parity with the Bonds, however, the Line of Credit does not have a claim on the Debt Service Reserve Fund. See “THE AUTHORITY - Recent Developments” in Appendix A for additional information.

Historical Debt Service Coverage. The issuance of any series of Additional Bonds (except for refunding Bonds) is conditioned, among other things, upon the delivery of a certificate to the Trustee by the Authority to the effect that, for any period of 12 consecutive months within the 24 months preceding the issuance of Bonds of such series, Net Revenues were at least equal to 1.10 times Aggregate Debt Service during such period, excluding for this purpose principal of any Bonds which was paid from sources other than Revenues.

Debt Service Reserve Requirement. The issuance of any series of Additional Bonds is further conditioned upon the deposit of an amount in the Debt Service Reserve Account such that the balance in such Account, after giving effect to any irrevocable surety bond, insurance policy, letter of credit or other similar obligation deposited in such Account, equals the Debt Service Reserve Requirement calculated immediately after delivery of such Bonds. For information regarding the deposit of any surety bond, insurance policy, letter of credit or other similar obligation in the Debt Service Reserve Account, see Appendix F hereto.

No Default. In addition, Additional Bonds (other than refunding Bonds) may be issued only if the Authority certifies that no event of default exists under the Resolution or that any such event of default will be cured through application of the proceeds of such Bonds.

[Remainder of this page intentionally left blank]

SCHEDULED DEBT SERVICE REQUIREMENTS

The following table sets forth the annual amounts required to pay scheduled principal and interest on the Outstanding Bonds and the Series 2025A Bonds for the periods shown below.

Debt Service Requirements

(Column totals may not agree due to rounding)

		<u>Series 2025</u>					<u>Proposed</u>
<u>Bond Year End</u>	<u>Existing Debt Service⁽¹⁾</u>	<u>Principal</u>		<u>Interest</u>		<u>Aggregate Debt</u>	<u>Service</u>
<u>(January 1)</u>							
2026	\$32,818,765	\$	-	\$	-		
2027	42,464,194						
2028	42,468,004						
2029	37,743,022						
2030	38,784,733						
2031	30,634,809						
2032	30,632,407						
2033	30,616,149						
2034	30,616,152						
2035	30,587,703						
2036	30,588,988						
2037	30,556,000						
2038	30,553,467						
2039	31,748,053						
2040	31,545,383						
2041	31,339,297						
2042	31,159,939						
2043	30,932,186						
2044	30,698,809						
2045	30,450,454						
2046	30,193,637						
2047	30,197,632						
2048	-						
2049	-						
2050	-						
2051	-						
2052	-						
2053	-						
2054	-						
2055	-						
2056	-						
Total	\$ 717,329,784						

(1) As of June 30, 2025. Includes debt service of the proposed Refunded Bonds and Invited Bonds. Does not reflect the effect of BABs subsidy.

RISKS OF BONDHOLDERS

The purchase of the Series 2025A Bonds involves certain investment risks that are discussed throughout this Official Statement. Accordingly, each prospective purchaser of the Series 2025A Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. This discussion of certain risks is not intended to be exhaustive and should be read in conjunction with this entire Official Statement including the Appendices hereto.

General

The electric utility industry in general has been, and in the future may be, affected by a number of factors which could impact the financial condition and competitiveness of many electric utilities and the level of utilization of generating facilities, such as those of the Authority. One of the most significant factors is the effort on national and local levels to restructure the electric utility industry from a heavily regulated monopoly to an industry in which there is open competition for power supply service on both the wholesale and retail level. Additional factors include: (a) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements; (b) changes resulting from conservation and demand-side management programs on the timing and use of electric energy; (c) changes that might result from a national energy policy, and a renewable energy portfolio or other federal or state legislative changes; (d) increasing competition from (i) independent power producers, marketers and brokers, (ii) other electric utilities (including increased competition resulting from mergers, acquisitions, and “strategic alliances” of utilities and natural gas utilities, (iii) competitors transmitting less expensive electricity from much greater distances over an interconnected system), and (iv) new methods of, and new facilities for, producing low-cost electricity; (e) “self-generation” or “distributed generation” (such as microturbines, fuel cells and solar installations) by certain industrial and commercial customers and others; (f) issues relating to the ability to issue tax exempt obligations; (g) service restrictions on the ability to sell to nongovernmental entities electricity from generation projects financed with outstanding tax exempt obligations; (h) changes from projected future load requirements, (i) increases in costs and the effects of inflation; (j) shifts in the availability and relative costs of different fuels; (k) sudden and dramatic increases in price of energy purchased on the open market that may occur in times of high peak demand in an area of the country experiencing such high peak demand; (l) effects of changes in the economy, population and demand of customers in the service areas of the Participating Trusts; (m) effects of possible manipulation of the electric markets; (n) natural disasters or other physical calamities, including, but not limited to, tornadoes, earthquakes, floods, drought, winter storms, and wildfires, and potential liabilities of electric utilities in connection therewith; (o) inadequate risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity; (p) effects on the integration and reliability of the power supply from the increased usage of renewables; (q) potential repeal of certain federal statutes that would have the effect of increasing the competitiveness of many investor-owned utilities; (r) financial difficulties, including bankruptcy, of fuel suppliers and/or renewable energy suppliers; (s) changes in the electric market structure for neighboring electric grids; (t) pandemics; (u) acts of terrorism or cyberterrorism; (v) changes in revenues due to unseasonable changes in the weather, and (w) adverse impacts to the market for insurance relating to natural disasters or other physical calamities, leading to higher costs or prohibitively expensive coverage, or limited or unavailability of coverage for certain types of risk. Any of these factors (as well as other factors) could have an adverse effect on the financial condition of any given electric utility and likely will affect individual utilities in different ways. For additional discussion, see the discussion under “CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY” in Appendix A hereto.

While the Authority makes every effort to predict what effects the above factors could have on its business operations and financial condition, unforeseen economic, market and regulatory forces can occur.

The effects of such factors could be significant. In addition, the Authority recognizes the significant uncertainty surrounding environmental regulatory policy. The Authority cannot predict the likelihood of any regulatory change, the likelihood of any challenge to such change, or the effect any such change would have on its business operations or financial condition. The following is a brief discussion of some of these factors. This discussion does not purport to be comprehensive or definitive, and these matters are subject to change subsequent to the date hereof. Extensive information on the electric utility industry is, and will be, available from sources in the public domain, and potential purchasers of bonds of the Authority should obtain and review such information.

Special Obligations

The Series 2025A Bonds, together with all other Outstanding Bonds and any Additional Bonds, will be payable from and secured by a pledge of and security interest in the Trust Estate, subject to the provisions of the Resolution permitting application thereof for the purposes and on the terms and conditions set forth in the Resolution. For a description of the Funds and Accounts created by the Resolution and other provisions of the Resolution, including definitions of certain terms used in the Resolution, see Appendix F hereto.

The Series 2025A Bonds will be payable solely from the Trust Estate and neither the State of Oklahoma nor any political subdivision thereof (other than the Authority), nor any Participating Trust which has contracted with the Authority, is obligated to pay the principal of, premium, if any, or interest on the Bonds and neither the faith and credit nor the taxing power of the State of Oklahoma or any political subdivision thereof or any such Participating Trust is pledged to the payment of the principal of or premium, if any, or interest on the Bonds. The Authority does not have any taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—The Pledge and Security Interest Under the Resolution” herein.

Bond Insurance

In the event of default of the payment of principal or interest with respect to the Insured Bonds when all or some becomes due, any owner of the Insured Bonds shall have a claim under the applicable Insurance Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Insured Bonds by the Authority which is recovered by the Authority from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Insurance Policy; however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absent such prepayment by the Authority unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer’s consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Insurance Policy, the Insured Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make

payments with respect to the Insured Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Bonds or the marketability or liquidity for the Insured Bonds.

The long-term ratings on the Insured Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Insured Bonds or the marketability or liquidity for the Insured Bonds. See description of "RATINGS" herein.

The obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the Authority nor the Underwriters have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Authority to pay principal and interest on the Insured Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment. See "BOND INSURANCE" herein for further information provided by the Bond Insurer and the Insurance Policy, which includes further instructions for obtaining current financial information concerning the Bond Insurer.

Limitations on Enforcement

Enforcement of remedies under the Resolution may be limited or restricted by Federal and State laws relating to bankruptcy, fraudulent conveyances, and rights of creditors and by application of general principles of equity applicable to the availability of specific performance or other remedies, and may be substantially delayed in the event of litigation or statutory remedy procedures. The various legal opinions to be delivered concurrently with the delivery of the Series 2025A Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and Federal laws, rulings and decisions affecting remedies, and by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors.

Financial Information

There can be no assurance that the financial results achieved by the Authority in the future will be similar to historical results. Such future results will vary from historical results and actual variations may be material. Therefore, the historical operating results of the Authority cannot be taken as a representation that the Authority will be able to generate sufficient revenues in the future to make payments under the Resolution sufficient for the full and timely payment of the principal of, premium, if any, and interest on the Series 2025A Bonds.

Factors Related to the Electric Utility Industry

The electric utility industry in general has been, and in the future may be, affected by a number of factors which could impact the financial condition and competitiveness of many electric utilities and the level of utilization of generating facilities, such as those of the Authority and of the Participating Trusts. See the discussion under "CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY" in Appendix A hereto.

Environmental

Electric utilities are subject to continuing environmental regulation. Federal, state, and local standards and procedures which regulate the environmental impact of electric utilities are subject to change. These changes may arise from continuing legislative, regulatory, and judicial action regarding such standards and procedures. Consequently, there is no assurance that the Authority will remain subject to the regulations currently in effect, will always be in compliance with future regulations without possibly having to provide significant upgrades, or will always be able to obtain all required operating permits in a timely manner. An inability to comply with environmental standards could result in reduced operating levels or the complete shutdown of individual electric generating units not in compliance.

Inflation Reduction Act and the Infrastructure Investment and Jobs Act

The Inflation Reduction Act (the “IRA”) and the Infrastructure Investment and Jobs Act (the “IIJA”) allow not-for-profit public power utilities like the Authority to potentially receive federal payments for a variety of generation and infrastructure projects. The Authority has applied for a Section 247 Grant and was notified on September 5, 2024 that it was selected to move forward into the negotiation phase. The preliminary award was in the amount of \$4.6 million. With the changes at the Department of Energy, there have been delays in executing final award contracts. At this time, the Authority believes the grant will be ultimately awarded.

H.R. 1

House Resolution 1 (Public Law 119-21) was passed by the 119th Congress and signed into law on July 4, 2025. The bill contains numerous provisions that affect all aspects of federal government. It is undetermined at this time what impact, if any, this legislation will have on the Authority or its operations. The Authority continues to monitor federal legislation, proposed or enacted, for such impacts.

Climate Risks

In the ordinary course of business, the Authority experiences weather-related risks. These risks can result in both operational and financial impacts. In response to such operational risks, the Authority looks for various areas for improvement including hardening the overhead transmission and distribution grid, identifying and replacing aging infrastructure and equipment, and continuing its robust investment in tree trimming. In response to financial risks, the Authority maintains a robust amount of financial liquidity, load curtailment contracts, and employs energy hedging contracts to help to offset the financial risks related to weather-related events. For example, see the discussion under “THE AUTHORITY – Recent Developments” in Appendix A regarding winter storm Uri.

Tariffs and Trade Restrictions

There is currently significant uncertainty about the future relationship between the United States and various other countries with respect to trade policies and tariffs. Tariffs or trade restrictions that may be implemented by the United States or retaliatory trade measures or tariffs implemented by other countries could result in reduced economic activity, increased costs in operating the Authority’s business, reduced demand and changes in purchasing behaviors for the Authority’s customers. In the ordinary course of business, the Authority procures some materials and equipment globally. While tariffs and other retaliatory trade measures imposed by other countries on the United States have not yet had a significant impact on the Authority’s business, the Authority cannot predict future developments and its impact on operations.

Business Disruption Risk

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Authority's ability to conduct its business. A prolonged disruption in the Authority's operations would have an adverse effect on the Authority's financial condition and results of operations. No assurances can be given that the Authority's efforts to mitigate the effects of an emergency or other event will be successful in preventing disruptions to its operations in the event of an emergency.

Security

Cybersecurity

Cybersecurity threats continue to become more sophisticated and are increasingly capable of impacting the availability, integrity, and confidentiality of electric utilities' facilities and systems, including critical control systems. The Authority places a high priority on its security practices to protect electric infrastructure. With respect to cyber-security, these practices include, but are not limited to: situational awareness updates from industry trade groups, such as E-ISAC, performance of periodic security risk assessments and gap analyses to identify security strengths and vulnerabilities; implementation of access controls and restrictions; personnel risk assessments; software patch management; reliance on appropriate malware protection; practices for the designation of and proper safeguards for confidential or sensitive information; practices for the backup and recovery of data; and security awareness training. The Authority conducts on-going cybersecurity training of its employees. The Authority maintains a staff of information technology professionals, including one dedicated to cybersecurity. If a significant cybersecurity event or breach should occur, it could result in material costs for notification, operations, repair and remediation, and increased capital costs.

Physical Plant Security

The Authority, in operating a public utility, is concerned with maintaining and operating adequate physical security measures around its facilities in order to prevent unauthorized intrusions that could undermine or threaten operations and personnel. To mitigate these risks, the Authority utilizes fencing, locked gates, monitored security cameras, key card access, and operator security checks. If a significant physical breach should occur, it could result in material costs for notification, operations, repair and remediation, and increased capital costs.

Federal Tax Status of the Series 2025A Bonds

The Internal Revenue Code of 1986, as amended, imposes a number of requirements that must be satisfied for interest on state and local obligations, such as the Series 2025A Bonds, to be excludable from gross income for Federal income tax purposes. These requirements include limitations on the use of bond proceeds, limitations on the investment earnings of bond proceeds prior to expenditure, a requirement that the Authority file an information report with the Internal Revenue Service and a requirement that all rebate payments, if any, are timely paid. The Authority has covenanted in certain of the documents referred to herein that it will comply with such requirements. Future failure by the Authority to comply with any of these covenants may result in the interest on the Series 2025A Bonds being taxable, retroactively to the date of issuance. See "ESTIMATED SOURCES AND USES OF FUNDS" and "TAX MATTERS—Federal Income Taxes" herein.

Ratings

There is no assurance that the ratings assigned to the Series 2025A Bonds will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Series 2025A Bonds. See the information contained herein under the caption “RATINGS.” Future changes in bond rating criteria or procedures that result in different ratings of the Series 2025A Bonds could have a material adverse effect on the value and marketability of the Series 2025A Bonds.

Secondary Market

There is no guarantee that a secondary trading market will develop for the Series 2025A Bonds. Consequently, prospective bond purchasers should be prepared to hold their Series 2025A Bonds to maturity. Subject to applicable securities laws and prevailing market conditions, the Underwriters intend but are not obligated to make a market in the Series 2025A Bonds.

Book-Entry

Persons who purchase Series 2025A Bonds through broker dealers become creditors of the broker dealer with respect to the Series 2025A Bonds. Records of the investors’ holdings are maintained only by the broker dealer and the investor. In the event of the insolvency of the broker dealer, the investor would be required to look to the broker dealer’s estate, and to any insurance maintained by the broker dealer, to make good the investor’s loss. None of the Authority, the Trustee or the Underwriters is responsible for failures to act by, or insolvencies of, the Securities Depository or any broker dealer.

Forward-Looking Statements

Information in this Official Statement and Appendix A hereto contains statements that are forward-looking and involve a number of risks and uncertainties. The words or phrases “believes,” “plans,” “anticipates,” “expects,” “intends,” “estimates,” “forecasts,” “should,” “projection,” “could,” “may,” “continues,” “might,” “potential,” “scheduled” or similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Any other statement that expresses the possibility of future activity, intent or result also is a forward-looking statement.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Among these risks and uncertainties are the other risk factors discussed in this Official Statement and Appendix A hereto; general economic, demographic, competitive, or business conditions; pricing pressures; investment performance; relationships with customers; changes in laws or regulations, and other factors including factors that are not anticipated by the Authority. All of the forward-looking statements made in Appendix A and in the Official Statement are qualified by these cautionary statements. Prospective investors should not place undue reliance on the forward-looking statements, which speak only as of the date hereof. The Authority does not intend to update or revise any forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied by such statements will not be realized.

TAX MATTERS

The Series 2025A Bonds

Federal Income Taxes

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2025A Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2025A Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Series 2025A Bonds. Pursuant to the Resolution and the Tax Certificate executed in connection with the delivery of the Series 2025A Bonds, the Authority has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2025A Bonds from gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority has made certain representations and certifications in the Resolution and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Nixon Peabody LLP, Bond Counsel (“Bond Counsel”), under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the Authority described above, interest on the Series 2025A Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

State Taxes

Bond Counsel is also of the opinion that, under existing laws of the State of Oklahoma, interest on the Series 2025A Bonds is exempt from income taxation imposed by the State of Oklahoma under the Oklahoma Income Tax Act, 68 Oklahoma Statutes 2021, §2351 *et seq.*, as amended; provided, however, that no opinion is expressed regarding taxation of interest on the Series 2025A Bonds in the event such interest is or becomes includible in gross income for Federal income tax purposes. Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Series 2025A Bonds nor as to the taxability of the Series 2025A Bonds or the income therefrom under the laws of any state other than Oklahoma.

Original Issue Premium

Series 2025A Bonds sold at prices in excess of their principal amounts are “Premium Bonds”. An initial purchaser with an initial adjusted basis in a Premium Bond in excess of its principal amount will have amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond based on the purchaser’s yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, over the period to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation with an amortizable bond premium is required to decrease such purchaser’s adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Series 2025A Bonds. Owners of the Premium

Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

Ancillary Tax Matters

Ownership of the Series 2025A Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Series 2025A Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Series 2025A Bonds is subject to information reporting to the Internal Revenue Service (the “IRS”) in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2025A Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner’s taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any Federal tax matters other than those described in the opinions attached as Appendix H. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Series 2025A Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2025A Bonds for Federal or state income tax purposes, and thus on the value or marketability of the Series 2025A Bonds. This could result from changes to Federal or state income tax rates, changes in the structure of Federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2025A Bonds from gross income for Federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the Federal or state income tax treatment of holders of the Series 2025A Bonds may occur. Prospective purchasers of the Series 2025A Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2025A Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2025A Bonds may affect the tax status of interest on the Series 2025A Bonds. Bond Counsel expresses no opinion as to any Federal, state or local tax law consequences with respect to the Series 2025A Bonds, or the interest thereon, if any action is taken with respect to the Series 2025A Bonds or the proceeds thereof upon the advice or approval of other counsel.

LEGALITY FOR INVESTMENT

Pursuant to the provisions of the Act, the Series 2025A Bonds are securities in which the State of Oklahoma and all its public officers, governmental units, agencies and instrumentalities, all insurance associations, banking associations, investment companies, executors, administrators, guardians, trustees

and other fiduciaries may legally invest any funds belonging to them or within their control, and the Series 2025A Bonds are authorized security for any and all public deposits.

CERTAIN LEGAL MATTERS

All of the legal proceedings in connection with the authorization and issuance of the Series 2025A Bonds are subject to the approval of Nixon Peabody LLP, Bond Counsel to the Authority. Certain legal matters in connection with the Series 2025A Bonds are subject to the approval of William T. Denning, Esq., General Counsel to the Authority. Certain matters will be passed upon for the Underwriters by Floyd & Driver, PLLC. The legal fees of all legal counsel are contingent upon the sale and delivery of the Series 2025A Bonds. The various legal opinions to be delivered concurrently with the delivery of the Series 2025A Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LITIGATION

Series 2025A Bonds. No litigation is pending or, to the knowledge of the Authority, threatened in any court to restrain or enjoin the issuance or delivery of any of the Series 2025A Bonds or the collection of Revenues pledged or to be pledged to pay the principal of, premium, if any, and interest on the Series 2025A Bonds or in any way contesting or affecting the validity of the Series 2025A Bonds or the Resolution or the power to collect and pledge the Revenues to pay the Series 2025A Bonds, or contesting the powers or authority of the Authority to issue the Series 2025A Bonds or adopt the Resolution.

Other Matters. The Authority is a party to various legal proceedings, many of which arise in the normal course of the Authority's operations. These legal proceedings are not, in the opinion of General Counsel to the Authority, likely to have a materially adverse impact on the Authority's operations or financial position.

INDEPENDENT AUDITORS

The basic financial statements of the Authority as of and for the years ended December 31, 2024 and 2023 included in this Official Statement as Appendix B, have been audited by Baker Tilly US, LLP, Madison, Wisconsin, independent auditors, as set forth in their report in Appendix B hereto.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Robert Thomas CPA, LLC, Minneapolis, Minnesota (the "Verification Agent"), will independently verify, and issue a report thereon, the arithmetical accuracy of the computations included in schedules provided to them by the Municipal Advisor on behalf of the Authority indicating the sufficiency of the anticipated receipts from the United States Treasury Obligations, together with an initial cash deposit, to pay the redemption price of and interest on the Refunded Bonds on and prior to their redemption date. Such verification will be based solely on assumptions and information supplied by the Municipal Advisor on behalf of the Authority. Furthermore, the Verification Agent will have restricted its procedures to verifying the arithmetical accuracy of such computations and will not have made any study or evaluation of the assumptions and information on which the computations were based and, accordingly, will not express an opinion on such assumptions and information, the reasonableness of such assumptions, or the achievability of future events.

UNDERWRITING

In connection with the sale and delivery of the Series 2025A Bonds, the Authority has entered into a bond purchase agreement with Goldman Sachs & Co. LLC, as representative of itself, RBC Capital Markets, LLC, and Raymond James (collectively, the “Underwriters”), dated the date of this Official Statement (the “Bond Purchase Agreement”), pursuant to which the Underwriters agreed to purchase the Series 2025A Bonds at a price of \$_____, (representing the par amount of the Series 2025A Bonds, less Underwriters’ discount of \$_____, and **[plus/less [net] original issue premium/discount]** of \$_____). The Bond Purchase Agreement provides that the Underwriters will not be obligated to purchase any Series 2025A Bonds absent satisfaction of the conditions precedent therein and if all Series 2025A Bonds are not available for purchase and requires the Authority to indemnify, to the extent permitted under Oklahoma law, the Underwriters against losses, claims, damages and liabilities rising out of any incorrect or incomplete statements or information contained in this Official Statement pertaining to the Authority and certain other matters.

The initial public offering prices or yields set forth on the inside cover page hereof may be changed under certain conditions. The Underwriters may offer and sell the Series 2025A Bonds to certain dealers (including dealers depositing Series 2025A Bonds into investment trusts) and others at prices lower or yields higher than the public offering prices or yields stated on the inside cover page hereof. The initial public offering prices or yields may be changed from time to time by the Underwriters.

Certain of the Underwriters have entered into distribution agreements with other broker-dealers for the distribution of the Series 2025A Bonds at the initial public offering prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

RBC Capital Markets, LLC (“RBCCM”) has entered into a distribution arrangement with its affiliate City National Securities, Inc. (CNS). As part of this arrangement, RBCCM may distribute municipal securities to investors through the financial advisor network of CNS. As part of this arrangement, RBCCM may compensate CNS for its selling efforts with respect to such municipal securities.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriters and their affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Authority, for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriters and their affiliates purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Authority (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

DEALER MANAGER

For its services as Dealer Manager, the Dealer Manager will be compensated in an amount equal to a percentage of the aggregate principal amount of Invited Bonds tendered and accepted for purchase.

MUNICIPAL ADVISOR

Hilltop Securities Inc. (“Hilltop Securities”), Charlotte, North Carolina, is employed as Municipal Advisor (“Municipal Advisor”) to the Authority in connection with the issuance of the Series 2025A Bonds. The Municipal Advisor’s fee for services rendered with respect to the sale of the Series 2025A Bonds is contingent upon the issuance and delivery of the Series 2025A Bonds. Hilltop Securities, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the Federal income tax status of the Series 2025A Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Municipal Advisor to the Authority has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Authority and, as applicable, to investors under the Federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

RATINGS

The Series 2025A Bonds have been assigned ratings of “A” (Stable) and “A” (Stable Outlook) by Fitch Ratings (“Fitch”) and S&P Global Ratings (“S&P”), respectively. Such ratings reflect only the views of such organizations at the time such ratings are given, and the Authority and the Underwriters make no representation as to the appropriateness of such ratings.

S&P currently rates all bonds insured by Assured Guaranty Inc. “AA” and is expected to assign such rating to the Insured Bonds upon the issuance of the Insurance Policy by Assured Guaranty Inc. at the time of delivery of the Insured Bonds. See “BOND INSURANCE” herein.

An explanation of the significance of such ratings may be obtained only from such rating agencies. The Authority furnished such ratings agencies with certain information and materials relating to the Series 2025A Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing such rating, circumstances so warrant. None of the Underwriters or the Authority has undertaken any responsibility to bring to the attention of the owners of the Series 2025A Bonds any proposed revision or withdrawal of a rating of the Series 2025A Bonds or to oppose any such proposed revision or withdrawal. Any such revision or withdrawal of such a rating could have an adverse effect on the market price and marketability of the Series 2025A Bonds.

CONTINUING DISCLOSURE

The Authority will enter into a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”) to provide certain periodic information and notices of listed events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of Section (b)(5)(i) of SEC Rule 15c2-12 (17 C.F.R. Part 240, § 240.15c2-12) (the “Rule”) for the benefit of the holders and beneficial

owners of the Series 2025A Bonds. The obligation of the Underwriters to accept and pay for the Series 2025A Bonds is conditioned upon delivery to the Underwriters or their agents of a certified copy of the Continuing Disclosure Undertaking. The proposed form of the Continuing Disclosure Undertaking is attached hereto as Appendix G. During the last five years, the Authority has not failed to comply in any material respect with any previous continuing disclosure undertaking by it. The Authority has implemented appropriate procedures to assure future compliance with respect to such previous continuing disclosure undertakings and compliance with the requirements of the Continuing Disclosure Undertaking relating to the Series 2025A Bonds.

MISCELLANEOUS

All projections and other statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement with the purchasers or holders of any of the Series 2025A Bonds.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

The descriptions included in this Official Statement of the Series 2025A Bonds, the Resolution, the Thirty-Fourth Supplemental Resolution, the Power Sales Contracts and certain other agreements described herein do not purport to be complete and are qualified in their entirety by reference to each such document, copies of which may be obtained upon written request from the Authority at the address on the inside front cover hereof, Attention: General Manager.

The execution and delivery of this Official Statement have been duly authorized by the Authority.

OKLAHOMA MUNICIPAL POWER AUTHORITY

By: _____
General Manager

SCHEDULE I
DESCRIPTION OF PURCHASED BONDS

A portion of the proceeds of the Series 2025A Bonds is expected to be used for the purpose of purchasing for cash the Invited Bonds tendered in accordance with the terms of the Invitation and accepted by the Authority (the “Purchased Bonds”) and described below.

The Outstanding principal amount of the Authority’s Power Supply System Revenue Refunding Bonds, Series 2016A, of the maturity, in the principal amount, bearing interest at the rate described below is, subject to the issuance of the Series 2025A Bonds, to be purchased on October 23, 2025 (the “Purchase Date”) and at the purchase price (plus interest accrued thereon to the Purchase Date) as set forth below:

Series	CUSIP	Maturity Date	Optional Redemption Date	Interest Rate	Par Amount Outstanding	Reference BVAL Index	Indicative Fixed Spreads (Basis Points) ^
2016A	67910HQB9	1/1/2041	1/1/2026	3.125%	\$33,280,000	Jan-41	84

The Outstanding principal amount of the Authority’s Power Supply System Revenue Refunding Bonds, Series 2021B (Federally Taxable), of the maturities, in the principal amounts, bearing interest at the rates described below are, subject to the issuance of the Series 2025A Bonds, to be purchased on October 23, 2025 (the “Purchase Date”) and at the purchase price (plus interest accrued thereon to the Purchase Date) as set forth below:

Series	CUSIP	Maturity Date	Interest Rate	Par Amount Outstanding	Benchmark Treasury Security	Indicative Fixed Spreads (Basis Points)
2021B	67910HRR3	1/1/2027	1.602%	\$4,990,000	2-year	-10
2021B	67910HRS1	1/1/2028	1.802%	13,210,000	3-year	-15
2021B	67910HRT9	1/1/2029	1.951%	12,470,000	5-year	-15
2021B	67910HRU6	1/1/2030	2.051%	13,575,000	5-year	-5
2021B	67910HRV4	1/1/2031	2.151%	8,015,000	7-year	-8
2021B	67910HRW2	1/1/2032	2.251%	8,250,000	7-year	5
2021B	67910HRX0	1/1/2033	2.351%	8,475,000	10-year	-5
2021B	67910HRY8	1/1/2034	2.431%	8,770,000	10-year	5
2021B	67910HRZ5	1/1/2035	2.501%	9,025,000	10-year	15
2021B	67910HSA9	1/1/2036	2.551%	9,290,000	10-year	25
2021B	67910HSB7	1/1/2041	2.803%	33,395,000	10-year	55
2021B	67910HSC5	1/1/2047	2.903%	41,310,000	20-year	40

^ Fixed Spreads are shown in basis points and do not include Accrued Interest on the Bonds tendered for purchase and are preliminary and subject to change.

SCHEDULE II

DESCRIPTION OF REFUNDED BONDS*

A portion of the proceeds of the Series 2025A Bonds is expected to be used for the purpose of refunding all or a portion of the Refunded Bonds described below.

The Outstanding principal amount of the Authority's Power Supply System Revenue Refunding Bonds, Series 2014B, of the maturities, in the principal amounts, bearing interest at the rates described below are, subject to the issuance of the Series 2025A Bonds, are expected to be refunded and redeemed on the date and at the redemption price (plus interest accrued thereon to the redemption date thereof) as set forth below:

<u>Maturity</u> <u>January 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> [†] <u>Base: 67910H</u>	<u>Redemption</u> <u>Date</u>	<u>Redemption</u> <u>Price</u>
2026	\$3,905,000	5.000%	PQ7	11/02/2025	100.00%
2027	\$4,210,000	5.000%	PR5	11/02/2025	100.00%

The Outstanding principal amount of the Authority's Power Supply System Revenue Refunding Bonds, Series 2016A, of the maturities, in the principal amounts, bearing interest at the rates described below are, subject to the issuance of the Series 2025A Bonds, are expected to be refunded and redeemed on the date and at the redemption price (plus interest accrued thereon to the redemption date thereof) as set forth below:

<u>Maturity</u> <u>January 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u> [†] <u>Base: 67910H</u>	<u>Redemption</u> <u>Date</u>	<u>Redemption</u> <u>Price</u>
2029	\$4,365,000	5.000%	PT1	01/01/2026	100.00%
2030	\$4,585,000	5.000%	PU8	01/01/2026	100.00%
2031	\$4,815,000	5.000%	PV6	01/01/2026	100.00%
2032	\$5,055,000	5.000%	PW4	01/01/2026	100.00%
2033	\$5,295,000	5.000%	PX2	01/01/2026	100.00%
2034	\$5,565,000	5.000%	PY0	01/01/2026	100.00%

Some or all of the Series 2021B Bonds being Invited Bonds not tendered for purchase or tendered and not accepted by the Authority for purchase may be refunded or, for up to and including the 2030 maturity defeased to the maturity date, all as subject to market conditions.

* Preliminary, subject to change.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc., and are included solely for the convenience of the purchasers of the Series 2025A Bonds. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the Dealer Manager, the Information Agent or the Tender Agent or their respective agents or counsel assume responsibility for the accuracy of such numbers.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

**CERTAIN INFORMATION RELATING TO
THE AUTHORITY, THE POWER SUPPLY PROGRAM
AND THE PARTICIPATING TRUSTS**

Information contained in this Appendix contains statements that are forward-looking and involve a number of risks and uncertainties. The words or phrases “believes,” “plans,” “anticipates,” “expects,” “intends,” “estimates,” “forecasts,” “should,” “projection,” “could,” “may,” “continues,” “might,” “potential,” “scheduled” or similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Any other statement that expresses the possibility of future activity, intent or result also is a forward-looking statement.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Among these risks and uncertainties are the other risk factors discussed in this Appendix and in the Official Statement to which it is appended; general economic, demographic, competitive, or business conditions; pricing pressures; investment performance; relationships with customers; changes in laws or regulations, and other factors including factors that are not anticipated by the Authority. See “RISKS OF BONDHOLDERS” in the Official Statement. All of the forward-looking statements made in this Appendix and in the Official Statement are qualified by these cautionary statements. Prospective investors should not place undue reliance on the forward-looking statements, which speak only as of the date hereof. The Authority does not intend to update or revise any forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied by such statements will not be realized.

THE AUTHORITY	3
Background.....	3
Organization and Management.....	3
Power Supply Operations.....	5
Authority Rates.....	7
Rate Stabilization.....	7
Rate Regulation.....	8
Recent Developments.....	8
OUTSTANDING BONDS AND OTHER INDEBTEDNESS	9
Outstanding Parity Bonds.....	9
Anticipated Additional Parity Bonds.....	10
Separately Secured Indebtedness; Taxable Notes.....	10
DEBT SERVICE REQUIREMENTS	11
THE POWER SUPPLY PROGRAM	11
Introduction.....	11
Ownership Arrangements.....	12
Dolet Hills 1 Ownership Arrangements.....	12
Pirkey 1 Ownership Arrangements.....	12
McClain Generating Facility.....	13
Kaw Project.....	13
Ponca City Power Plant.....	13
Charles D. Lamb Energy Center.....	14
Redbud Generating Facility.....	14
Turk Project.....	15
Power Purchase and Transmission Arrangements.....	15
OG&E Agreements.....	16
AEP Agreements.....	16
WFEA Agreements.....	16
Transmission Ownership.....	16
GRDA Agreements.....	16
GRDA Unit Power Sales Agreement.....	17
GRDA Power Purchase and Sale Agreement.....	17
Participating Trusts Capacity Purchase Agreements.....	18
SWPA Agreement.....	18
FPLE Energy Oklahoma Wind, LLC.....	19
Canadian Hills Wind, LLC.....	19
Apex Clean Energy/Grant Plains Wind Project.....	19
Tulsa LFG, LLC.....	20
Southwest Power Pool Integrated Marketplace.....	20
MuniGas Agreement.....	21
Natural Gas Procurement Matters.....	21
Weatherization.....	21
Decommissioning Costs.....	21
Environmental Matters.....	22
Retail Distributed Generation Program.....	22
Future Power Supply Program.....	22
THE PARTICIPATING TRUSTS	23
General.....	23
Electric Systems and Management.....	23
Rate Regulation of the Participating Trusts.....	24
Description of Certain of the Beneficiary Cities and Participating Trusts.....	24
Edmond.....	24
Ponca City.....	25
Outstanding Indebtedness of Two Largest Participating Trusts.....	25
Participating Trusts' Historical Power and Energy Requirements.....	26
Participating Trusts' Historical and Projected System Requirements.....	26
Participating Trusts' Statistical and Financial Information.....	27
CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY	31
General.....	31
Federal Energy Legislation.....	31
Environmental Issues.....	33
MANAGEMENT DISCUSSION OF RECENT UNAUDITED FINANCIAL INFORMATION	38
Financial Highlights.....	38
Utility Plant and Debt Administration.....	38

APPENDIX A

THE AUTHORITY

Background

The Oklahoma Municipal Power Authority (the “Authority” or “OMPA”) was created by the Oklahoma Legislature in 1981 as a body politic and corporate for the purpose of providing adequate, reliable and economic sources of electric power and energy to Oklahoma municipalities and public trusts operating municipal electric systems. To date, 43 public trusts have entered into long-term Power Sales Contracts with the Authority. See “THE PARTICIPATING TRUSTS—General” herein. The term of each Power Sales Contract extends indefinitely until terminated upon at least 15 years prior written notice by either party. See “THE AUTHORITY – Power Supply Operations” herein. In addition, the Authority has certain short-term supplemental power sales agreements with one Arkansas municipality and one Texas municipality. In total, the Authority has begun serving nine new communities in Oklahoma, Arkansas and Texas since 2010. Clarksville, Arkansas has decided not to extend its contract with the Authority and will terminate on February 28, 2026.

Under the Act, the Authority is a governmental agency of the State of Oklahoma and a body politic and corporate with the powers, in addition to other powers, to (1) acquire, construct and operate generation and transmission facilities, (2) purchase, sell, exchange and transmit electric energy within and without the State of Oklahoma and (3) issue its obligations, including the Bonds, to carry out any of its corporate purposes and powers. The Act authorizes the Authority to exercise the power of eminent domain in the acquisition of certain property. Property of the Authority is exempt from Oklahoma property taxes. The Authority does not have any taxing power.

Organization and Management

Each municipality and/or public trust which has declared its intention to participate with the Authority in the development of power supply resources has a representative on the Election Committee of the Authority, which committee meets at least once a year to elect directors for the Authority’s Board of Directors and conducts certain other affairs of the Authority. Having a representative on the Election Committee does not obligate such municipality or public trust to enter into a Power Sales Contract with the Authority. As of the date hereof, 47 municipalities and/or public trusts have representatives on the Election Committee, four of which have not entered into long-term Power Sales Contracts with the Authority.

The Authority is governed by an 11-member Board of Directors elected by the Election Committee. The bylaws of the Authority provide that the largest five Participating Trusts (based on the dollar amount of power purchases by eligible public agencies from the Authority during the next preceding fiscal year of the Authority) should have a seat on the Board of Directors. Under the Act and the bylaws of the Authority, the terms of directors are three (3) years and staggered, with approximately one-third of the Board elected each year. Directors must be residents of Oklahoma, and a representative on the Election Committee from an Eligible Public Agency, as defined in Title 11 Oklahoma Statutes §24-105, with a long-term power sales contract having purchased power from the Authority for at least three years. Officers of the Authority include a Chairman, Vice Chairman, Treasurer, Secretary and one or more assistant secretaries and treasurers. Under the Act and the bylaws, the Board is broadly empowered to conduct the affairs of the Authority and to enter into agreements, contracts and obligations on behalf of the Authority.

The current Officers and Members of the Board of Directors (all current officers and members are eligible for reelection) are as follows:

<u>Name</u>	<u>Position</u>	<u>Residence</u>	<u>Term Expires</u>	<u>Years of Service</u>	<u>Occupation</u>
Homer Nicholson	Chair	Ponca City	2027	17	Ex-Mayor
Jim Greff	Vice Chair	Prague	2026	11	City Manager
Gary Jones	Treasurer	Altus	2028	6	City Manager
Glenn Fisher	Secretary	Edmond	2027	5	Electric Director
Kyle Davis	Director	Frederick	2026	1	City Manager
Patty Witchey	Director	Laverne	2026	3	City Treasurer
Jason McPherson	Director	Marlow	2026	9	City Administrator
Kenzie Wheeler	Director	Duncan	2028	2	Deputy City Manager
Richard Raupe	Director	Okeene	2027	2	Town Administrator
Vacant	Director				
Nate Read	Director	Perry	2028	0	City Manager

David W. Osburn was named General Manager effective August 1, 2013. Mr. Osburn joined the Authority as of January 15, 2007, and previously held the title of Assistant General Manager. Mr. Osburn previously served as General Manager and CEO of Richmond Power & Light in Richmond, Indiana for 10 years. Mr. Osburn recently served as Chair of the Board of the American Public Power Association, currently serves on the Members' Committee of the Southwest Power Pool ("SPP"), and the Executive Committee of the Transmission Access Policy Study Group ("TAPS"). Mr. Osburn has previously served on the Board of the Electric Power Research Institute ("EPRI"), the North American Electric Reliability Corporation ("NERC") Members Representative Committee, NERC Reliability Issues Steering Committee, as well as Commissioner and Vice Chairman of the Indiana Municipal Power Agency. Mr. Osburn holds a Master of Business Administration degree from Indiana Wesleyan University and a Bachelor of Science degree in Electrical Engineering from Purdue University.

Although scheduled to occur after the date of the issuance of the Series 2025A Bonds, it is anticipated that Mr. Osburn will be retiring in the first quarter of 2026. OMPA has retained a professional recruiting firm with extensive electrical industry experience and has begun the process of performing a search for General Manager candidates. It is expected that OMPA will entertain applications from both external and internal candidates in order to fill the position.

William T. Denning ("Tyler") has been General Counsel for the Authority since January 2025. Before joining the authority, Mr. Denning was in private practice representing state entities, electrical distribution cooperatives, construction companies, telecom companies, commercial banks (national and regional), and private corporations. Mr. Denning also managed an active litigation practice and received the designation of Super Lawyer-Rising Star Business Litigation for multiple years. Mr. Denning earned a Bachelor of Science degree in 2002 from the Texas Tech University, followed by a Juris Doctorate degree in 2005 from the Texas Tech University School of Law.

Jennifer L. (Rogers) Smith was promoted in 2023 to the position of Assistant General Manager. Mrs. Smith originally began her career with the Authority in July of 2008. Prior to her position as Assistant General Manager, she has served the Authority as Director of Member Services, Government Relations Representative, Media Specialist, and Member Services Representative. Mrs. Smith currently serves as the Vice Chair on the American Public Power Association's Demonstration of Energy and Efficiency Developments (DEED) Board of Directors representing Region 4. She has previously served on the Southwestern Power Resources Association (SPRA) Board of Directors, as well as an ex-officio on the Municipal Electric Systems of Oklahoma Board of Directors. Mrs. Smith holds a Bachelor of Arts degree from the University of Central Oklahoma.

Jim McAvoy, P.E., was promoted in March 2016 to the position of Director of Engineering Services after having served previously as Manager of Engineering Services and Chief Engineer for nine years. Before joining the Authority he worked in engineering and operations at KG&E/Westar in Kansas and OG&E. He has a Bachelor of Science degree in Electrical Engineering from the University of Oklahoma and a Master of Business Administration degree from Oklahoma Christian University. Mr. McAvoy currently serves on the Transmission Working Group of the SPP. He is a licensed Professional Engineer in the states of Oklahoma and Kansas.

Natasha Brown rejoined the Authority in 2016 and currently serves as Director of Operations. Mrs. Brown has over 19 years of experience in the utility industry. She has spent her career in System Operations and Market Operations. She originally started her career in Operations at Oklahoma Municipal Power Authority in 2006. Mrs. Brown left the Authority in 2008 to serve as an Operator and Senior Interchange & Tariff Administration Policy Analyst at the Southwest Power Pool, where she became a NERC Certified System Operator. She then served as a Senior Operations Analyst at Western Farmers Electric Cooperative before returning to Oklahoma Municipal Power Authority in 2016 as the Manager of Operations. Mrs. Brown holds a Bachelor of Science in Business Administration – Accounting from Oklahoma State University and a Master of Business Administration from Oklahoma City University. She still holds her NERC Certified System Operator – Reliability certification.

Michael Watt, P.E., joined the Authority on July 11, 2011, and currently holds the position of Manager of Environmental, Compliance, and Safety. Prior to joining the Authority, Mr. Watt worked for the Arkansas Department of Environmental Quality (DEQ) writing Air Permits for businesses throughout the State of Arkansas. After leaving the DEQ, he joined Georgia-Pacific Crossett Paper Operations a large paper mill in Crossett Arkansas. At Georgia Pacific, he was in charge of its Air Pollution program. After joining OMPA, he chaired the Environmental section of the American Public Power Association Engineering and Operations conference. In his role, Mr. Watt oversees all environmental aspects of the generation of power, implements and ensures compliance with the NERC Standards, and leads the development and improvement of the safety of all employees at OMPA. He holds a Bachelor of Science degree in Chemical Engineering from the University of Arkansas. Mr. Watt is also a licensed Professional Engineer in the states of Arkansas and Oklahoma.

LaGena O’Neal was promoted in January of 2022 to the position of Financial Manager. Ms. O’Neal first joined the Authority in 2001 as an accountant. She left the Authority in 2006 and served as the Financial Audit Manager for the Oklahoma Department of Mental Health and Substance Abuse Services. She returned to the Authority in 2013 and held positions as Accountant and Financial Analyst before being promoted to Financial Manager. Ms. O’Neal currently serves on the Credit Practices Working Group of the SPP. She holds a Bachelor of Science degree in Accounting from the University of Science and Arts of Oklahoma and is a Certified Public Accountant.

The Authority has 81 employees in the following areas: administration; engineering; finance and accounting; member services; generation; field services, and operations. The Authority has established its accounting records in accordance with Federal Energy Regulatory Commission (“FERC”) requirements and generally accepted accounting principles and has computerized its accounting functions and cash management function.

Power Supply Operations

Under the Power Sales Contracts the Authority has agreed to sell and deliver to each Participating Trust, and each Participating Trust has agreed to purchase and receive from the Authority, the electric power and energy requirements of the customers supplied by the Participating Trust’s municipal electric system, with certain exceptions noted hereinafter. The term of each Power Sales Contract extends indefinitely until terminated upon at least 15 years prior written notice by either party. If notice to terminate is given by any Participating Trust subsequent to any issuance of debt, the Authority, at its option, may increase such

Participating Trust's rates to recover its share of the debt service costs by the termination date. In making any such determination, the Authority first shall mitigate any adverse consequences caused by such termination notice.

Subject to certain exceptions, the Power Sales Contracts are total requirements contracts. Subject to seven years notice, the maximum amount of power and energy that the Authority is required to furnish to each Participating Trust, and that each Participating Trust is required to take and pay for under its Power Sales Contract, may be limited either by the Participating Trust or the Authority to the Participating Trust's Contract Rate of Delivery, which shall be equal to the Participating Trust's peak demand for power under the Power Sales Contract during the 24 billing periods prior to the date such limitation commences, adjusted by the Authority, upon the advice of the Consulting Engineer to the Authority, up or down by not more than 10% to achieve optimal utilization of the Authority's power supply resources. If the Authority exercises its Contract Rate of Delivery option, it must exercise such option with respect to all Participating Trusts. In the absence of any such election by the Authority or any Participating Trust, the provisions of the Power Sales Contracts continue unchanged. To date, no Participating Trust has given notice of the exercise of such option.

The Power Sales Contracts permit the 16 Participating Trusts which have an allotment of Southwestern Power Administration ("SWPA") power and energy to continue to purchase power and energy from SWPA up to an aggregate of 92.2 MW of power and energy. The present SWPA contracts expire on May 31, 2027. The use of any additional allotments of SWPA power and energy to the Participating Trusts is subject to approval by the Authority. The power and energy requirements of such Participating Trusts not supplied by SWPA will be supplied by the Authority.

The Authority obtains power and energy to meet the Participating Trusts' requirements under the Power Sales Contracts from various sources. See "THE POWER SUPPLY PROGRAM" herein.

In addition, the Authority has an active off-system electric power marketing effort conducted directly by OMPA staff. With the start of the Southwest Power Pool ("SPP") Integrated Marketplace (Day 2 Market) on March 1, 2014, bilateral sales of energy have virtually disappeared. All sales are into the integrated marketplace.

On June 1, 2010, the Authority began service to the City of Clarksville, Arkansas ("Clarksville"). As an Arkansas municipality, Clarksville is not eligible to be a Participating Trust and is therefore determined to be an off-system sale. The Authority provides for the requirements of Clarksville above its existing SWPA allocation, a local solar facility, and energy delivered from the Independence County hydro facility. The Independence County hydro facility is a non-OMPA hydro project for which Clarksville has a power purchase agreement in place. The local solar facility is also a non-OMPA project for which Clarksville has a power purchase agreement and is currently 7.0 MW capacity. Clarksville is required to receive approval from the Authority for any future expansions. The benefits resulting from the off-system sales to Clarksville flow back to the Participating Trusts through rate reductions. On November 26, 2018, the Authority and Clarksville executed a Replacement Short Term Electric Power Sales Contract, recognizing Clarksville's move to SPP Network Integrated Transmission Service in summer 2018 and extending allowed Clarksville resources to include the then new solar facility. The contract maintains service until December 31, 2020, and from year to year thereafter unless and until canceled at the end of any subsequent annual period by either party giving to the other party written notice not less than eighteen (18) months prior to the end of any subsequent annual period thereafter. Clarksville has elected to terminate the agreement effective February 28, 2026.

On June 6, 2012, the Authority began service to the City of Paris, Arkansas ("Paris"). In 2020, OMPA granted Paris permission to self-supply up to 1.5MW capacity. Paris subsequently entered a 20-year Power Purchase Agreement with a supplier for a 1.5MW solar farm located within Paris. Service to the City of Paris terminated on December 1, 2023.

On January 1, 2016, the Authority began service to the City of Electra, Texas (“Electra”), under a 10-year agreement. The agreement provides for a continuation from year to year thereafter unless and until cancelled at the end of the initial term or at the end of any subsequent annual period by either party upon 24 months’ written notice. As a Texas municipality Electra is not eligible to be a Participating Trust and is therefore determined to be an off-system sale. The benefit resulting from this sale flows back to the Participating Trusts through rate reductions.

The Transmission Agreements, together with certain transmission and substation facilities owned or to be acquired by the Authority, are expected by the Authority to provide sufficient transmission service to satisfy its power supply responsibilities under the Power Sales Contracts. See “THE POWER SUPPLY PROGRAM” herein.

Authority Rates

Each Participating Trust is required to take and pay for power and energy furnished by the Authority at rates established by the Authority. Such rates are required to be established by the Authority at a level which will provide for all the Authority’s revenue requirements, including debt service on the Bonds and other amounts required to be deposited in funds established under the Resolution. For additional information concerning payments by the Participating Trusts under the Power Sales Contracts, see “Payments by the Participating Trusts” in Appendix D. The Authority’s revenue requirements include amounts required to comply with any rate covenant of the Authority. Under the Resolution, the Authority has covenanted to establish and collect rents, rates and charges for the output of the System which, together with other available Revenues, are reasonably expected to yield Net Revenues for the 12-month period commencing with the effective date of such rents, rates and charges equal to at least 1.10 times Aggregate Debt Service on all Bonds for such period and, in any event, as required, together with other available funds, to pay or discharge all other indebtedness, charges and liens payable out of Revenues. For purposes of this covenant, amounts required to pay Refundable Principal Installments may be excluded from Aggregate Debt Service to the extent the Authority is to make such payments from sources other than Revenues. Payments made by the Authority to the Grand River Dam Authority (“GRDA”) pursuant to each of the Unit Power Sales Agreement and Power Purchase and Sale Agreement will not constitute Operation and Maintenance Expenses of the Authority. The Authority is required to review and, if necessary, revise its rents, rates and charges upon the occurrence of a material change in circumstances, but in any case, at least once every 12 months. The Authority may implement changes in its rates after 60 days’ notice to the Participating Trusts.

The present rates charged by the Authority to Participating Trusts with long-term contracts consist of demand, energy, and transmission rates. The demand component is designed to collect fixed costs, including fixed plant O&M costs including capacity payments and property taxes, administrative and general costs, debt service costs including principal and net interest payments, and debt service coverage which provides for renewals and replacement capital projects. The demand charge is based upon an average of the previous two (2) year’s coincident peak contribution to the Authority’s overall peak, which provides for more predictable cash flow. Transmission costs are a separate component with a credit given for substation ownership. Transmission demand is designed to collect for transmission-related expenses such as those associated with the Southwest Power Pool. The transmission demand is based on the greater of that month’s coincident demand or 75% of the greatest coincident demand during the previous 11 monthly billing periods. Energy charges are designed to collect those variable energy costs such as fuel and other plant variable and production expenses. Those Participating Trusts with an SWPA allocation receive a limited discount on their demand charge to reflect the capacity contribution of their allocation.

Rate Stabilization

The Authority reviews its rates and revenue requirements periodically and will implement rate changes as necessary to comply with its rate covenant under the Resolution. In addition to increases in

revenue requirements resulting from normal recurring factors such as inflation, the Authority may experience unusually large increases in certain years. Some of these unusual increases in revenue requirements, such as those resulting from placing a large generating unit in service, may be anticipated far in advance of when the increases occur; other increases, such as those due to lengthy unscheduled outages, may not be anticipated.

Consistent with the Resolution, the Authority has taken steps to minimize, to the extent possible, the amount of the rate increases that would otherwise be necessary in years when its revenue requirements increase significantly. The Authority has established a rate stabilization program under which previously accumulated Revenues are applied toward increased revenue requirements. Under the Resolution, any Revenues allocated by Board resolutions for the rate stabilization program are to be deposited in the Rate Stabilization Account in the Revenue Fund and will not be considered in the calculation of Net Revenues for purposes of the rate covenant under the Resolution until transferred out of the Rate Stabilization Account and applied in accordance with the Resolution. As a result, the use of Revenues accumulated during any period in the Rate Stabilization Account to pay increased revenue requirements in subsequent periods will reduce the rate increases that would otherwise be necessary in such later periods to produce the Net Revenues required to meet the rate covenant. Beginning in July of 2016, the Authority began contributing 10% of off-system sales margins to the Rate Stabilization Account. The Authority also made a Rate Stabilization Account contribution of net revenues in excess of amounts budgeted of \$4,461,718 for the year ended December 31, 2024. The Authority's 2022, 2023, 2024, and 2025 budgets did not include any withdrawals from the account. The fund balance was \$16,538,890 at December 31, 2022, \$24,300,000 at December 31, 2023 and was \$28,761,718 at December 31, 2024.

Rate Regulation

In the opinion of General Counsel to the Authority, the power of the Authority to fix and collect rates and charges for electric power and energy sold and delivered under existing law is not subject to the regulatory jurisdiction of the Oklahoma Corporation Commission ("OCC") or any other regulatory agency or authority of the State of Oklahoma and is not subject to the regulatory jurisdiction of the FERC or any other Federal regulatory agency or authority.

Recent Developments

In the June 2019 Board meeting, OMPA's Board passed a resolution to amend the internal policy on financial liquidity. OMPA's annual budget will plan for at least 100 days cash on hand in total unrestricted funds. The 2020 budget was the first year to incorporate this new policy.

OMPA has a \$15 million Line of Credit facility with Bank of America, National Association expiring in 2026. The facility provides additional liquidity and a potential source of funds for capital expenditures and decommissioning expenses. Advances under the facility can bear a taxable or tax-exempt variable rate of interest and are secured on parity with outstanding Power Supply Bonds. The Line of Credit does not have a claim on the Debt Service Reserve Fund.

OMPA completed construction in 2020 on a new, approximately 2,400 square feet, SCADA/IT/Emergency Operations building at its existing headquarters location. This facility provides a secure operating environment and is capable of withstanding tornadic winds up to F5 on the Fujita scale. The building houses all IT/SCADA infrastructure in a secure stable environment. In addition, there is space for key employees to operate in the event the main OMPA building is inoperable.

During February 2021 Oklahoma was severely impacted by winter storm Uri. The storm caused extreme cold across Oklahoma. The extreme cold caused natural gas prices and electricity prices in energy markets to spike to unprecedented levels. OMPA has calculated the cost of this event to be approximately

\$60 million. The Authority has recorded a regulatory asset of the same amount and will finance the cost of the event as described in the next two paragraphs.

On March 29, 2021 OMPA defeased the \$10,370,000 outstanding principal amount of the 1992B Bonds with an escrow deposit of \$12,083,099. The escrow deposit is sufficient to pay all future interest and principal payments due on the bonds. With this defeasement, the Authority's Thirteenth Supplemental Bond Resolution took effect. This supplemental resolution reduced the Authority's Debt Service Reserve Requirement by half. The reserve requirement that had been approximately \$48,000,000 fell to approximately \$24,000,000 as of the date of the defeasement.

On March 12, 2021 OMPA closed on a \$60.0 million direct placement 2021A Power Supply System Revenue Note (Taxable) with Bank of America, N.A. dated March 1, 2021 (the "2021A Note") to fund the costs associated with winter storm Uri. The Authority used \$60,000,000 of proceeds of the Series 2021A Bonds to refinance the Series 2021A Note.

OMPA has announced the following coal plant retirements: The Oklaunion plant was retired in October 2020; in May 2020, the decision was made by the majority owner/operator to retire Dolet Hills plant sometime in the fall of 2021 with the plant retired on December 31, 2021; and, in November 2020, the decision was made by the majority owner/operator to close the Pirkey plant in March of 2023. To help mitigate any cost impact of decommissioning expense to member cities a Plant Decommissioning Fund was established in late 2018. In 2023, the Authority's Board authorized an annual transfer of system revenues equaling \$1,250,00 for 10 years. The Authority has incurred total decommissioning costs of \$20,151,495 to pay decommissioning expenses associated with the Oklaunion, Dolet Hills and Pirkey retirements. The fund's balance on December 31, 2024 was approximately \$2.1 million. For additional information, see 'THE POWER SUPPLY PROGRAM'.

OUTSTANDING BONDS AND OTHER INDEBTEDNESS

Outstanding Parity Bonds

The following Series of Bonds have been issued and secured on a parity under the Resolution and remain Outstanding as of the date of the Official Statement.

<u>Series</u>	<u>Dated Date</u>	<u>Final Maturity</u>	<u>Original Principal Amount</u>	<u>Principal Amount Outstanding June 30, 2025</u>
2010B	August 11, 2010	1/1/2045	70,000,000	70,000,000
2014B	November 21, 2014	1/1/2027	34,440,000	8,115,000
2016A	October 5, 2016	1/1/2047	124,315,000	124,315,000
2019A	October 3, 2019	1/1/2028	59,105,000	6,430,000
2021A	July 1, 2021	1/1/2047	<u>125,963,000</u>	<u>106,783,000</u>
2021B	July 1, 2021	1/1/2047	<u>172,015,000</u>	<u>171,060,000</u>
			<u>\$585,838,000</u>	<u>\$486,703,000</u>

The Outstanding Bonds described in the table above are fixed rate Bonds.

Anticipated Additional Parity Bonds

The Authority may issue Additional Bonds for the purpose of paying all or a portion of the cost of Acquisition and Construction (as defined in Appendix F) of the System or for the purpose of refunding Outstanding Bonds. All series of such Additional Bonds will be payable from the same sources and secured on a parity with all other Outstanding Bonds. Certain conditions applicable to the issuance of Additional Bonds are contained in Appendix F.

There are a variety of factors that may affect the timing, amount and interest, and other costs associated with the issuance of such Additional Bonds including general market conditions, credit issues, changes in law, unanticipated load growth and numerous factors relating to the costs and timing with respect to the construction of projects that could affect such contemplated issuance of such Additional Bonds.

Separately Secured Indebtedness; Taxable Notes

In September 2003, the Authority issued its taxable limited obligation notes in the original principal amount of \$57,739,000, maturing December 31, 2028, bearing interest at 6.00% and payable in annual principal and interest installments of \$4,516,732.48 (the "Taxable Notes") payable solely from lease payments agreed to be made by FPLE Energy Oklahoma Wind, LLC, a limited liability company ("FPLE Oklahoma"), for the development of a wind generation facility of approximately 51 MW aggregate nameplate capacity on a site in northwestern Oklahoma designed to generate renewable wind power from 34 1500 kW wind turbines (the "Wind Project"). FPLE Oklahoma was responsible for acquiring, constructing and installing the Wind Project which became operational on September 26, 2003, and is leased by the Authority to FPLE Oklahoma under a long-term capital lease for rental payments sufficient to pay debt service on the Authority's Taxable Notes. The Authority entered into a take and pay power purchase agreement with FPLE Oklahoma for a term of 25 years. The payments under such power purchase agreement constitute the sole source of revenue to FPLE Oklahoma by which it can make its lease payments. The Taxable Notes were issued under a separate resolution and were not issued under the Resolution authorizing and securing the Outstanding Bonds and do not share in the security granted therefor under the Resolution. However, the payments made by the Authority for the purchase of energy under the power purchase agreement with FPLE Oklahoma constitute Operation and Maintenance Expenses, as such term is defined in the Resolution, which, as described under "Application of Revenues" in Appendix F, are the first priority for payment from amounts on deposit in the Revenue Account in the Revenue Fund established under the Resolution. Therefore, payments to FPLE Oklahoma under such power purchase agreement have priority over payments for debt service for Bonds issued under the Resolution.

DEBT SERVICE REQUIREMENTS

The following table sets forth the annual amounts required to pay scheduled principal and interest on the Outstanding Bonds for the periods shown below.

ANNUAL DEBT SERVICE

<u>Year</u> <u>Ending January 1</u>	<u>Debt Service on</u> <u>Outstanding Bonds†</u>	<u>Year</u> <u>Ending January 1</u>	<u>Debt Service on</u> <u>Outstanding Bonds†</u>
2026	\$41,775,167	2041	\$40,550,905
2027	41,594,949	2042	40,672,831
2028	41,909,449	2043	40,445,376
2029	39,291,949	2044	40,211,066
2030	47,576,262	2045	39,960,715
2031	39,430,262	2046	39,706,051
2032	39,425,262	2047	39,709,322
2033	39,407,712	2048	28,497,750
2034	39,413,212	2049	28,501,000
2035	39,793,462	2050	28,502,000
2036	39,800,112	2051	28,498,500
2037	39,761,762	2052	28,499,225
2038	39,759,562	2053	28,498,950
2039	40,952,993	2054	28,499,100
2040	40,748,700	2055	28,500,825
		Total	<u>\$1,119,894,427</u>

† The Authority's Outstanding Series 2010B Bonds were issued as "Build America Bonds" and interest requirements thereon assumes the receipt of a cash subsidy from the United States Treasury equal to 35.0% of the interest payable thereon. The Authority does not anticipate that the recent and continuing deductions in cash subsidy payments resulting from reductions in federal spending will have a material impact on the Authority's finances, e.g., the reduction in cash subsidy payments for the Authority's Series 2010B Bonds, originally expected to be equal to 35% of the interest payable thereon, is calculated to be \$80,698 for calendar year 2021.

THE POWER SUPPLY PROGRAM

Set forth below is a brief description of the power supply resources included in the Authority's Power Supply Program.

Introduction

The Authority has entered into agreements with Southwestern Electric Power Company ("SWEPCO") for the purchase by the Authority of ownership interests in two coal-fired generating units and two lignite-fired generating units. As used herein, PSO, SWEPCO, AEP-Texas Central Company ("AEP-TCC"), and AEP-Texas North Company ("TNC") are all subsidiaries of the American Electric Power Company, Inc. One of the coal plants and both lignite plants have been retired and are undergoing decommissioning. In addition, the Authority entered into an agreement with Duke Energy McClain LLC ("DEMc") in 2001 whereby the Authority acquired a 23% undivided interest in a natural gas-fired combined cycle power plant developed by DEMc which became operational in June 2001 and was subsequently sold by DEMc to NRG Energy, Inc. ("NRG") and purchased by Oklahoma Gas & Electric Company ("OG&E") from NRG in 2004. The Authority also acquired ownership of a hydroelectric generating unit, a combined cycle (repowering application) and a simple-cycle combustion turbine facility. The Authority began taking power from a wind generation facility in 2003 pursuant to an agreement with FPLE Oklahoma (see "THE POWER SUPPLY PROGRAM—FPLE Energy Oklahoma Wind, LLC" hereinafter). In 2008, the Authority acquired a 13% undivided interest in the Redbud natural gas-fired combined cycle power plant jointly with OG&E and the Grand River Dam Authority. In 2015, the Authority completed construction of its first

greenfield project, the Charles D. Lamb Energy Center, a simple-cycle gas turbine generating facility. In addition to the ownership of generating capacity, the Authority has entered into certain power purchase and transmission arrangements in order to supplement generating capacity owned by the Authority and to provide for the transmission of the Authority's power and energy to the Participating Trusts. The following discussion is a summary of certain terms and conditions of the ownership agreements and the power purchase and transmission agreements as they relate to the Authority's Power Supply Program. Further discussion of the terms and conditions of certain of these agreements is provided in Appendix E.

Ownership Arrangements

The Authority's power supply program includes power supply resources acquired by the Authority through joint ownership arrangements in three generating units as follows: (1) a 23% undivided ownership interest with respect to the McClain Generating Facility and certain related facilities, a nominally rated 478 MW natural gas-fired combined cycle power plant placed in commercial operation in June 2001 and operated by OG&E; (2) a 13% undivided ownership interest with respect to the Redbud Generating Facility and certain related facilities, a nominally rated 1,230 MW natural gas-fired combined cycle power plant placed in commercial operation in 2003 and operated by OG&E; and (3) a 6.667% undivided ownership interest in an ultra-supercritical, coal-fired, baseload electric generating unit (a nominal 650 MW net output unit) placed in commercial operation on December 20, 2012, as described hereinafter under "Turk Project." The Authority owns and operates (a) the Kaw Project, a hydroelectric generating unit with a nominal generation rating of 29 MW placed in commercial operation in September 1989, (b) the Ponca City Repowering Project, a combined cycle facility at the Ponca City Power Plant with a nominal generation rating of 59 MW placed in commercial service as a simple cycle in June 1995 and combined cycle operation in March 1996 and a 44 MW LM 6000 gas turbine generator and associated equipment placed into service in 2003 and operated as a simple cycle, and (c) the Charles D. Lamb Energy Center, a 103 MW, simple-cycle combustion gas turbine generating facility located near Ponca City in Kay County, Oklahoma, placed in commercial operation on May 16, 2015. See "Charles D. Lamb Energy Center" herein.

Dolet Hills 1 Ownership Arrangements

Dolet Hills 1 is a nominally rated 650 MW lignite-fired steam-electric generating unit located in DeSoto Parish, Louisiana. The primary fuel for Dolet Hills 1 is supplied from lignite reserves located in the vicinity of, and a portion of which is dedicated to, Dolet Hills 1. Dolet Hills 1 and all facilities required for operation of the unit, including, but not limited to, certain land, project facilities and common facilities, but excluding certain pollution control facilities, are co-owned as follows: Central Louisiana Electric Company, Inc. ("CLECO")—50%; SWEPCO—40.234%; Northeast Texas Electric Cooperative, Inc. ("NTEC")—5.860%; and the Authority—3.906%. SWEPCO retained its ownership interest in the pollution control facilities and operates such facilities to the extent reasonably necessary for the operation of the Authority's share of Dolet Hills 1. SWEPCO was responsible for the construction of Dolet Hills 1 and CLECO is responsible for the operation and maintenance of Dolet Hills 1 and for the procurement and management of fuel needed in the operation of Dolet Hills 1.

On May 11, 2020, OMPA was informed by SWEPCO of plans to retire the Dolet Hills Station sometime in the fall of 2021. The Plant was retired from service on December 31, 2021 and undergoing decommissioning.

Pirkey 1 Ownership Arrangements

Pirkey 1 is a nominally rated 650 MW lignite-fired steam-electric generating unit located south of Hallsville in Harrison County, Texas. The primary fuel for Pirkey 1 is supplied from lignite reserves located in the vicinity of, and dedicated to, Pirkey 1. Pirkey 1 and all facilities required for operation of the unit, including, but not limited to, certain land, project facilities, common facilities and lignite reserves, are co-owned as follows: SWEPCO—85.936%; NTEC—11.72%; and the Authority—2.344%. SWEPCO was

responsible for the construction of Pirkey 1 and is responsible for the operation and maintenance of Pirkey 1 and for the procurement and management of fuel needed in the operation of Pirkey 1. The Authority and SWEPCO have executed an Ownership, Construction and Operating Agreement and a Supplemental Agreement (collectively, the “Pirkey Agreement”) under which the Authority acquired its 2.344% ownership share (approximately 15 MW) with respect to Pirkey 1 and related lignite reserves (the “Lignite Reserves”).

On November 5, 2020, OMPA was informed by SWEPCO of their intent to close the Pirkey Station on March 31, 2023. The plant was retired as planned and is undergoing decommissioning activities. See THE POWER SUPPLY PROGRAM –Decommissioning Costs.

McClain Generating Facility

The McClain Generating Facility is a nominally rated 478 MW (Winter rating 520 MW) natural gas-fired combined cycle power plant located near Oklahoma City, Oklahoma, in McClain County, Oklahoma. The McClain Generating Facility was developed and constructed by Duke Energy McClain LLC (“DEMc”) and it became operational in June 2001. The Authority purchased a 23% undivided ownership interest in the McClain Generating Facility from DEMc in March 2001 prior to its completion. In 2004 OG&E purchased the 77% undivided ownership interest in the McClain Generating Facility previously purchased by NRG McClain LLC from DEMc and is the plant operator.

The McClain gas turbines were upgraded to increase the rated output and improve efficiency. This project was completed in November 2014 and was funded through the Series 2013B Bonds.

Kaw Project

The Kaw Project, which was placed in service in 1989, is a nominally rated 29 MW hydroelectric generating unit located near Ponca City, Oklahoma. The Kaw Project utilizes the hydraulic head and water storage behind the Kaw Dam on the Arkansas River in Kay and Osage Counties, Oklahoma owned by the Federal Government and operated by the U.S. Army Corps of Engineers.

The FERC issued a license (the “FERC License”) for construction of the Kaw Project to KAMO Electric Cooperative, Inc. (“KAMO”) in November 1984. Subsequently, the Authority acquired the Kaw Project from KAMO and the FERC License was transferred to the Authority. The FERC License provides for the Authority to operate the Kaw Project through October 2034.

The Authority is currently undertaking activities to upgrade all of the electrical and control systems of the Kaw Project. Other physical and mechanical systems will also undergo various levels of rehabilitation. All major equipment has been purchased and the general work contract has been awarded.

Ponca City Power Plant

The Authority entered into a Repowering Agreement, dated as of October 25, 1990 (the “Repowering Agreement”), with Ponca City, which provides for the Ponca City Repowering Project. The Ponca City Repowering Project consists of the repowering of Steam Unit No. 1 of the Ponca City Power Plant and the installation of a combustion turbine with a nominal rating of 42 MW, a waste heat boiler, and certain modifications to Steam Unit No. 1. The Repowering Agreement also provides for, but does not require, potential modifications to the controls for Steam Unit No. 1 and Steam Unit No. 2 of the Ponca City Power Plant. The Authority also determines scheduling and operation and maintenance of Steam Units Nos. 1 and 2. Steam Unit No. 1, installed in 1965, has a nameplate rating of 16.5 MW.

Under the original terms of the Repowering Agreement, the Authority continues to make payment to Ponca City for the existing Steam Unit No. 1 capacity at a fixed rate of \$1.40 per kilowatt-month. The Repowering Agreement, with certain exceptions, is effective until the later of December 31, 2027, or the

expiration of the Power Sales Contract with Ponca City. During the term of the Repowering Agreement, the Authority will have and retain all rights, obligations and liabilities of ownership of the Steam Unit No. 1 facilities existing prior to subject modifications. Upon the termination of the Repowering Agreement, subject to certain conditions, Ponca City shall have the right of first refusal to purchase the Steam Unit No. 1 modifications from the Authority at their fair market sales value. Steam Unit #2 has been retired by the Authority.

A GE LM6000 PC gas turbine generator and associated equipment was the fourth unit at the Ponca City Power Plant and was placed into service in June 2003. The turbine is a nominally rated 42 MW unit.

On January 11, 2021 the Authority executed a new lease agreement with the City of Ponca City for the use of the property and generating facility. The new agreement replaces the existing Capacity Purchase Agreement payment structure and establishes the level of compensation to the City for the Authority's use of the property and generating facility.

Charles D. Lamb Energy Center

The Charles D. Lamb Energy Center is a 103 MW, simple-cycle combustion gas turbine generating facility located near Ponca City in Kay County, Oklahoma. It was constructed at a total cost of approximately \$90,000,000 and became commercially operational on May 16, 2015. It is owned and operated by the Authority and is the Authority's first independently constructed, owned and operated generating facility. The 160-acre site, located in rural Oklahoma with minimal proximity to residences, is adjacent to a recently constructed 345 kV transmission line operated by OG&E and a high-pressure natural gas pipeline operated by Southern Star Gas. The location of the site along with the interconnection to major gas and electric transmission, should allow the Authority to expand in the future as necessary. The Authority has a water supply agreement with the City of Ponca City for the project.

The Board of Directors of the Authority have approved the addition of approximately 124 MW of generating capacity at the site, to be financed with proceeds of the Series 2025A Bonds and a subsequent issuance of Bonds currently anticipated in 2026. The Authority has submitted a generation interconnection request to the Southwest Power Pool and has started engineering and procurement activities. The targeted in-service date is 2029.

Redbud Generating Facility

Redbud Generating Facility is a 1,230 MW natural gas-fired, combined cycle electric generating plant located near Luther, Oklahoma. The plant has been operational since 2003 originally under ownership of Kelson Holdings. The plant consists of four trains, each of which includes a General Electric 7F gas turbine engine, Foster Wheeler heat recovery steam generator with supplementary firing, Alstom steam turbine, two electric generators and one generator step up transformer, and associated mechanical and electrical equipment. The Redbud Generating Facility site includes a 26-inch natural gas pipeline and interconnection to OG&E's 345kv transmission system. The project was offered for sale and a consortium of OG&E, GRDA, and the Authority submitted a joint proposal for the purchase, which was accepted by Kelson Holdings and the closing of the purchase occurred on September 29, 2008. The Asset Purchase Agreement provides that the Redbud Generating Facility shall be operated by OG&E and owned by OG&E (51%), GRDA (36%), and OMPA (13%).

The owners agreed to upgrade the Redbud gas turbines to increase the rated output and improve efficiency. This project was successfully completed in Spring 2014 and was funded through the Series 2013B Bonds. The upgrade resulted in an overall increase in capacity of 8.4% and an estimated 3.5% improvement in efficiency for the four gas turbines.

In 2024, the owners approved additional upgrades to the Redbud gas turbines to increase the rated output and improve efficiency. This project is projected to be completed in 2027. The upgrade is expected to provide an increase in capacity of approximately 24 MW for the Authority. In addition, the plant will undergo other major improvements and upgrades to improve reliability.

Turk Project

A Construction, Ownership and Operating Agreement (the “Turk Agreement”) was signed with SWEPCO whereby the Authority acquired an approximately 43 MW net (6.667%) of a 650 MW net output ultra-supercritical, coal-fired, baseload electric generating unit and related facilities. Turk is located in southwest Arkansas in Hempstead County and is co-owned and operated by SWEPCO (73.333%). Other co-owners include Arkansas Electric Cooperative Corporation (11.667%) and East Texas Electric Cooperative (8.333%). SWEPCO is responsible for the construction, operation and maintenance of Turk, as well as the procurement and management of fuel needed in the operation of Turk. The Authority is entitled to schedule and receive capacity and energy from Turk, subject to the provisions of the Turk Agreement, in amounts up to its ownership share of the net capability of Turk. Turk achieved commercial operation on December 20, 2012. Transmission is pursuant to the Southwest Power Pool (“SPP”) Open Access Transmission Tariff (“OATT”) and a Transmission Service Agreement was executed by the Authority in December 2009.

Power Purchase and Transmission Arrangements

The Authority’s power supply program includes power purchase and transmission arrangements to supplement generating capacity owned by the Authority and to provide for the transmission of the Authority’s power and energy to the Participating Trusts. The power purchase arrangements are as follows: (1) power and associated energy purchased from GRDA Unit No. 2 (“GRDA 2”), a nominally rated 520 MW coal-fired steam-electric generating unit which commenced commercial operation in April 1986; (2) power and associated energy purchased from certain existing generating facilities of the Participating Trusts; (3) utilization of the SWPA allocation (for scheduling purposes only); (4) capacity and associated energy from the LS Power Oneta Plant, a non-OMPA plant, in the amount of 50 MW for the Summer season 2014 through 2024, the contract was extended through 2033; (5) capacity and associated energy from the Canadian Hills Wind Project described herein in the amount of 49.2 MW; (6) capacity and associated energy from the Tulsa LFG, LLC landfill gas facility described herein in the amount of 3.2 MW; (7) capacity and associated energy from the FPLE Energy Oklahoma Wind described herein in the amount of 51 MW; and (8) non-firm energy purchased from other utilities. In September 2005, the Authority entered into an agreement with GRDA to purchase an additional 25 MW of system capacity, with service that commenced on May 1, 2007. On September 9, 2009, the Agreement was amended to increase the purchase to 40 MW of system capacity effective June 1, 2011. On November 12, 2015, the Authority entered into an agreement to purchase the capacity and associated energy from the Grant Plains Wind project located in north central Oklahoma. The Authority started taking service from this facility on January 1, 2020. The agreement is for 41.4 MW for a period of 20 years. On December 4, 2020, the Authority entered into an agreement to purchase the output of the 120 MW North Fork Solar project in Kiowa County, Oklahoma. The project began commercial operations on June 7, 2024. On August 13, 2020, the Authority entered into a transaction with NextEra Energy Marketing, LLC to purchase 20MW of capacity only from the Rush Springs Wind Energy facility for a period from January 1, 2022, to December 31, 2031. On September 14, 2023, the Authority entered into an agreement to purchase the capacity and energy from the Woodward Energy Storage Project located in Woodward County, Oklahoma. The size of the battery storage facility is 40 MW. The contract term is 20 years. The facility began commercial operations on May 31, 2025. In June of 2025, the OMPA Board authorized the Authority to enter into an agreement with Oneta Power, LLC to purchase 13MW of deliverable capacity through May 31, 2029.

The Authority currently relies on the SPP OATT for its primary transmission arrangements to satisfy its power supply responsibilities under the Power Sales Contracts. The Authority has an executed

Network Integrated Transmission Service Agreement with SPP, and an NOA (Network Operating Agreement) with SPP and the Authority's three control area operators: OG&E; AEP, on behalf of PSO; and Western Farmers Electric Cooperative ("WFEC"). In addition, certain pre-existing transmission agreements with SWPA's transmission service incorporated in their sales of power to their allocated customers are considered "grandfathered" and incorporated into the SPP service. Effective March 1, 2014, with the start of the SPP Integrated Marketplace, SPP assumed all Balancing Authority ("BA") functions, creating a single BA.

The Authority continues to maintain certain pre-OATT transmission agreements with SWPA. The SWPA point-to-point transmission provides for delivery of the allocated SWPA hydropower to points of interconnection with the Authority's three control areas. Additionally, the Authority owns certain transmission and substation facilities and may acquire certain other transmission and substation facilities required to deliver power and energy to its Participating Trusts.

OG&E Agreements

The Authority has a Network Operating Agreement with OG&E by which it receives certain transmission services through the SPP OATT. In addition to this Network Operating Agreement, the Authority has the following agreements supporting this transmission service: (1) an Agreement for Metering; (2) a Credit for Facilities and Charges for Direct Assignment Facilities Agreement; and (3) an Agreement for the Self-Provision of Losses.

AEP Agreements

The Authority has a joint Network Operating Agreement with the SPP and AEP for services provided by AEP under the SPP OATT. Additional agreements exist under which the Authority receives credits for partially supplying certain ancillary services purchased from AEP and providing interconnections on the PSO system along with pooling and interchange of power and energy on the AEP West system.

WFEC Agreements

The Authority has a three-party Network Operating Agreement with SPP and WFEC under which it purchases certain transmission services under the SPP OATT, a Facilities Agreement under which it receives local delivery services from WFEC and an Ancillary Services Agreement under which it receives ancillary services on the WFEC system through the SPP OATT.

Transmission Ownership

The Authority has changed its membership in the SPP to that of a Transmission Owner. On November 16, 2009 SPP filed with the FERC changes to the OATT to include the annual transmission revenue requirements of OMPA qualified facilities in the OG&E and AEP-West pricing zones requesting a January 1, 2010 effective date. These rates were subsequently approved, and the Authority continues to receive transmission revenues consistent with its annual revenue requirements in SPP.

GRDA Agreements

The Authority has entered into the following agreements with GRDA: (1) a Unit Power Sales Agreement under which GRDA supplies unit power and energy generated by GRDA 2; and (2) a Power Purchase and Sale Agreement under which GRDA currently provides 40 MW of GRDA system capacity and energy.

GRDA Unit Power Sales Agreement

GRDA 2 is a nominally rated 520 MW coal-fired steam-electric generating unit located near Chouteau, Oklahoma which was placed into commercial operation in April 1986. The Unit Power Sales Agreement between GRDA and the Authority (as amended, the “Unit Power Agreement”) provides for GRDA to sell to the Authority 20 MW of unit power and energy from GRDA’s ownership share of GRDA 2; provided, however, that such 20 MW shall be adjusted if that amount is less than 3.39% or more than 4.00% of the accredited net capability of GRDA 2 in megawatts. GRDA also operates and maintains GRDA 2.

Under the Unit Power Agreement, the unit power and energy purchased by the Authority is supplied to the Authority by GRDA on the basis that it is continuously available except when GRDA 2 is temporarily out of service for maintenance or forced outage. If GRDA 2 is temporarily out of service for maintenance or forced outage, GRDA will deliver replacement energy to the Authority, if it can do so without jeopardizing sales to its other customers, at rates set forth in an exhibit to the Unit Power Agreement. GRDA may provide substitute energy from other sources if the cost of such substitute energy is no greater than the cost of GRDA 2 energy. Under the Unit Power Agreement, the Authority schedules unit power and energy in amounts up to its generation entitlement percentage of the maximum generating capacity of GRDA 2. Such power and energy is delivered to the Authority at the 345 kV terminal of the substation located at the GRDA 2 site for transmission to the Authority under the SPP NITS transmission service agreement.

As compensation for such unit power and energy supplied by GRDA, the Authority pays GRDA monthly the sum of the following: (1) the Authority’s generation entitlement percentage of monthly fixed operating costs of GRDA 2; (2) the Authority’s pro rata share of monthly debt service costs attributable to GRDA 2; (3) one-twelfth of an allowance for payment of annual debt service costs associated with common facilities constructed with GRDA Unit No. 1 and allocable to GRDA 2; (4) the Authority’s pro rata share of variable operating costs of GRDA 2; (5) the Authority’s pro rata share of fuel costs of GRDA 2; (6) an amount equal to the cost of substitute energy delivered by GRDA to the Authority, if any; and (7) an amount equal to the cost of replacement energy delivered by GRDA to the Authority, if any.

GRDA has completed upgrades to GRDA 2 to meet environmental compliance requirements. The Authority will be responsible for its share of these costs per the terms outlined above.

The term of the Unit Power Agreement is to remain in effect as long as GRDA 2 is in commercial operation, but in no event beyond June 1, 2036, unless extended by GRDA and the Authority. For planning purposes, the Authority is expecting GRDA 2 to retire in summer of 2026. The Authority has not received an official notice as to the retirement date.

GRDA Power Purchase and Sale Agreement

In September 2005, the Authority entered into a Power Purchase and Sale Agreement with GRDA whereby GRDA provides 25MW of GRDA system capacity (largely coal) and associated energy on a firm basis. The service commencement date on this agreement was May 1, 2007 and continues through December 31, 2040. In September 2009, the Authority entered into an amendment to this Agreement by which GRDA increased the amount of firm system capacity to 40 MW effective June 1, 2011. On January 16, 2013, the Authority and GRDA amended the Agreement to limit the capacity to 40 MW, eliminating the increase to 50 MW in 2014. The Authority has received NITS transmission service for the full 40 MW of capacity.

Participating Trusts Capacity Purchase Agreements

Three of the Participating Trusts—Kingfisher, Laverne, and Pawhuska—own and operate diesel engine generating units. Under the Authority’s power supply program, these Participating Trusts have dedicated the dependable capacity of such units to the Authority pursuant to agreements between each such Participating Trust and the Authority (each, a “Capacity Purchase Agreement”). The Authority has conducted a testing program to determine the net dependable generating capability of each of the generating units. These generating units are comprised of diesel-engine generating units with a total net capability of approximately 11.4 MW.

The present dedicated capacity of such Participating Trusts’ generating facilities has been determined by the Authority to be approximately 11.4 MW. Capacity tests are to be conducted every three years consistent with SPP Criteria and the dependable capacity will be adjusted, if appropriate, on the basis of such tests. Four of the Participating Trusts operate and maintain the generating facilities and the Authority schedules the generation from such facilities. The Authority operates and maintains all of the Ponca City units. If a transmission system failure prevents the delivery of electric power and associated energy to such Participating Trust pursuant to the Power Sales Contract, such Participating Trust is allowed by the Authority to operate its generating units solely for the use of such Participating Trust.

With certain exceptions, the Authority pays monthly to each such Participating Trust for its dedicated capacity under the Capacity Purchase Agreements certain operating and non-operating charges per kW of dedicated capacity. In accordance with a payment schedule attached to the Capacity Purchase Agreement, the charges presently are as follows: (1) for dedicated capacity in kW, a fixed charge of \$4.44 per kW. The Authority also pays each such Participating Trust for the actual cost of fuel incurred in generating and delivering the energy to the Authority.

In December 2011, the Authority served notice to Fairview, Kingfisher, Laverne, Mangum, and Pawhuska to terminate the Capacity Purchase Agreements effective December 31, 2012. This termination was necessitated by the improvements required to maintain compliance with the U.S. EPA NESHAP (National Emission Standards for Hazardous Air Pollutants) rulemaking applicable to small diesel generators. An amendment was made with certain Participating Trusts to maintain capacity and recover the Authority’s investments, and a contract was awarded to install the emission control equipment at the four sites and completion met the compliance date of May 3, 2013.

In January, 2024, the Authority entered into new Capacity Purchase Agreements with Laverne, Kingfisher, and Pawhuska. The new agreements can be terminated by either party with one (1) year’s notice.

SWPA Agreement

Sixteen (16) of the Participating Trusts through their respective municipal beneficiaries have an allocation of SWPA power which entitles them to receive a portion of the power and associated energy generated by the Federal hydroelectric projects in Oklahoma, Missouri and Arkansas. The amount of SWPA power which each such Participating Trust is allocated ranges from 600 kW for Manitou to 32,500 kW for Duncan, for a total SWPA allocation for these Participating Trusts of 92,200 kW.

Under a contract between SWPA and the Authority (the “SWPA Contract”), the Authority, as the power supplier for such Participating Trusts, schedules, transmits or displaces, and accounts for, the Federal power and energy delivered by the Authority, for the account of SWPA, and purchased by such Participating Trusts. Pursuant to the SWPA Contract, the Authority is responsible for providing the power and energy requirements of each such Participating Trust in excess of its Federal power and energy.

The SWPA Contract is effective until May 31, 2027, unless terminated earlier pursuant to the provisions of the SWPA Contract. The Authority anticipates that most of these contracts will be extended and has included such in power supply planning.

FPLE Energy Oklahoma Wind, LLC

The Authority partnered with FPLE Energy Oklahoma Wind, LLC (“FPLE Oklahoma”) to build a wind generation facility of approximately 51 MW aggregate nameplate capacity on a site in northwestern Oklahoma designed to generate renewable wind power from 34 1500 kW wind turbines (the “Wind Project”). The Wind Project began producing power on September 26, 2003, and was the first large scale commercial wind energy project to become operational in the state. FPLE Oklahoma constructed and installed the Wind Project, and the Authority issued Taxable Electric Revenue Limited Obligation Notes Series 2003 (the “Taxable Notes”) which are payable solely from lease payments made to the Authority by FPLE Oklahoma. The Authority used the proceeds of the Taxable Notes to finance the Authority’s acquisition of the Wind Project and has leased the Wind Project to FPLE Oklahoma under a long-term capital lease for rental sufficient to pay debt service on the Taxable Notes.

The Authority entered into a Power Purchase Agreement dated March 27, 2003, with FPLE Oklahoma; such agreement has a termination date of December 31, 2028. FPLE Oklahoma retained the operational risk related to the Wind Project. The payments under the Power Purchase Agreement constitute the sole source of revenue to FPLE Oklahoma by which it would make its lease payments. The Taxable Notes were issued under a Note Purchase Agreement with the note holder and were not issued under the Resolution authorizing and securing the Outstanding Bonds and do not share in the security granted therefor under the Resolution. However, the payments made by the Authority for the purchase of energy under the Power Purchase Agreement constitute Operation and Maintenance Expenses, as such term is defined in the Resolution, which as described under “Application of Revenues” in Appendix F, are the first priority for payment from amounts on deposit in the Revenue Account in the Revenue Fund established under the Resolution. Therefore, payments to FPLE Oklahoma under the Power Purchase Agreement have priority over payments for debt service for bonds issued under the Resolution.

The Wind Project is now operated by Nextera Energy, as the successor to FPLE Oklahoma. In April 2014, OMPA and Nextera Energy executed a Second Amendment to the Amended and Restated Power Purchase Agreement. The amendment allows for the repowering of the Wind Project, establishes the resource as a Dispatchable Variable Energy Resource per SPP protocols, and extends the term of the agreement through ten years from completion of the repower, but no later than December 31, 2030. The repower is expected to increase the capacity allowance, total energy generated by the project and decrease exposure to negative market pricing.

Canadian Hills Wind, LLC

The Authority entered into a Power Purchase Agreement dated December 15, 2011, with Canadian Hills Wind, LLC for the purchase of capacity, energy, and associated environmental attributes from its wind-powered, electric generating facility in Canadian County, Oklahoma. The Authority has contracted for approximately 49.2 MW to be delivered from this facility. The Agreement has a term of twenty-five (25) years from the date of commercial operation, which was December 22, 2012. Canadian Hills Wind, LLC, is the operator of the facility and is responsible for all operations and maintenance expenses. The agreement is a fixed-price agreement for the entire term.

Apex Clean Energy/Grant Plains Wind Project

The Authority entered into a Power Purchase Agreement dated November 12, 2015, with Grant Plains Wind, LLC for the purchase of capacity, energy, and associated environmental attributes from its wind-powered, electric generating facility in Grant County, Oklahoma. The Authority has contracted for

approximately 41.4 MW to be delivered from this facility. The Agreement has a term of twenty (20) years from January 1, 2020. Grant Plains Wind, LLC, is the operator of the facility and is responsible for all operations and maintenance expenses. The agreement is a fixed-price agreement for the entire term.

Tulsa LFG, LLC

The Authority entered into a Power Purchase Agreement dated May 31, 2011, with Tulsa LFG, LLC for the purchase of capacity, energy, and associated environmental attributes from its landfill gas-powered, electric generating facility in Osage County, Oklahoma. The Authority has contracted for approximately 3.2 MW to be delivered from this facility. The Agreement has a term of fifteen (15) years from the date of commercial operation, which was February 27, 2013. Tulsa LFG, LLC is the operator of the facility and is responsible for all operations and maintenance expenses. Landfill gas generation is considered to be a renewable energy source and will supplement the Authority's renewable energy portfolio.

North Fork Solar

On December 4, 2020, the Authority entered into an agreement to purchase the output of the 120 MW North Fork Solar project in Kiowa County, Oklahoma. The project went COD on June 7, 2024. The Authority is the off taker for 100% of the project and the Authority receives all the renewable energy credits produced by the facility. The term of the agreement is fixed price for 15 years.

NextEra Rush Springs Capacity Purchase

On August 13, 2020, the Authority entered into a transaction with NextEra Energy Marketing, LLC to purchase 20MW of capacity only from the Rush Springs Wind Energy facility for a period from January 1, 2022, to December 31, 2031.

Woodward Energy Storage, LLC

On September 14, 2023, the Authority entered into an agreement to purchase the capacity and energy from the Woodward Energy Storage Project located in Woodward County, Oklahoma. The size of the battery storage facility is 40 MW. The contract term is 20 years. The facility achieved COD on May 31, 2025.

Southwest Power Pool Integrated Marketplace

The Authority is a member of the Southwest Power Pool ("SPP"), which is a Regional Transmission Organization ("RTO"). As a RTO, SPP is mandated by FERC to ensure reliable supplies of power, adequate transmission infrastructure, and competitive wholesale prices of electricity for the region. As a North American Electric Reliability Corporation Regional Entity, SPP oversees compliance enforcement and reliability standards development. SPP launched the Integrated Marketplace ("IM") on March 1, 2014, which effectively shifted generation dispatching from individual utilities to the regional entity.

SPP centrally administers the Integrated Marketplace and manages overall resource dispatch, planning, and system operations. Upon launching the market, SPP also assumed the role of the area balancing authority and is responsible for reliability council functions and supporting interconnection frequency in real-time. In October 2015, several utilities in the states of North Dakota, South Dakota, Iowa, Wyoming and Montana were integrated into the SPP RTO. The SPP footprint now includes all or part of 14 states.

Market participants such as the Authority, who own or contract for resources, are responsible for: submitting resource offers, demand bids, interchange schedules, and bilateral settlement schedules; owning

or bidding to buy Transmission Congestion Rights; and settling transactions through SPP. SPP economically dispatches generators across the SPP RTO footprint and serves as the consolidated balancing authority rather than previous legacy balancing authorities such as OG&E, CSWS, and WFEC. With the advent of the IM, the number of transactions and products became much more complicated and the settlements periods much shorter.

With the launch of the Integrated Marketplace, almost all of the Authority's sales have been as a result of selling owned or contracted generation resources into the SPP Integrated Marketplace. Since the market began, the Authority has had limited excess generation settled as spot sales in the bilateral markets, as market participants now transact directly with SPP as the central counterparty for sales of resources and purchases for load. To date, OMPA has been a net seller into the energy market.

MuniGas Agreement

On February 1, 2008, the Authority entered into a Joint Gas Purchase Contract (the "Joint Contract") with Municipal Gas Acquisition and Supply Corporation ("MuniGas"), and as amended on February 1, 2009, for a term ending December 31, 2027, extending by one year each December 31 beginning December 31, 2023, unless either party elects not to do so. Under the Joint Contract, the Authority agrees to purchase its requirements of natural gas for qualified use at specified plants through the MuniGas program, thereby qualifying the Authority for price discounts on the commodity. The specified plants are the Charles D. Lamb Energy Center, the Ponca City units, the McClain facility, and the Redbud Generating Facility, and gas used to generate power for the Authority's native load qualifies for the discounts.

Natural Gas Procurement Matters

As a large purchaser of natural gas, the Authority has established a multi-faceted procurement strategy. The strategy consists of three key components: (1) financial swaps, (2) base load physical purchases, and (3) physical storage. The Authority has maintained an active hedging program, through financial swaps, for many years using Board approved targets. Traditionally, the Authority has hedged a portion of its expected gas burn based on beginning of the month gas prices. The Authority did not have any financial hedges in place for the 2021 winter period. This type of financial hedge would not have lessened the impact of the winter storm event because the beginning of the month price for February and March 2021 was normal. The Authority's current financial hedging strategy includes hedges for winter months that settle on a gas daily average price that could help protect against intermonth price spikes. The Authority is planning to purchase natural gas for physical delivery at fixed prices during December through March. The Authority also has gas storage capacity for the Redbud facility. Storage allows the Authority to respond to price volatility and fluctuations in daily gas burn as a result of the SPP Integrated Marketplace.

Weatherization

Significant weatherization efforts were previously undertaken at the McClain and Redbud plants in which the Authority is a co-owner. The Authority estimates that its share of the costs of such weatherization efforts to be approximately \$1,000,000. In addition recent weatherization efforts were undertaken at the Ponca City plant at an estimated cost of \$142,500. The Authority has hired Sargent & Lundy to conduct a weatherization review and provide recommendations for further improvements.

Decommissioning Costs

OMPA has announced the following coal plant retirements: The Oklaunion plant was retired in October 2020, the Dolet Hills plant was retired in December 2021, and the Pirkey plant was retired in March 2023. To help mitigate any cost impact of decommissioning expense to member cities a Plant Decommissioning fund was established in late 2018. In 2023, the Authority's Board authorized an annual

transfer of system revenues equaling \$1,250,00 for 10 years. The authority has incurred total decommissioning costs of \$20,151,495 to pay decommissioning expenses associated with the Oklaunion, Dolet Hills and Pirkey retirements. The fund's balance on December 31, 2024 was approximately \$2.1 million. Additional mine remediation costs will be incurred for Dolet Hills and Pirkey in the near future. The decommissioning fund balance and future collection are anticipated to be sufficient to cover these costs.. The Authority's revenue requirement has been and will be reduced with the retirement of these plants. Fixed costs associated with the plants were approximately \$5 million per year and capital expenditures normally were about \$2 to \$3 million per year.

Environmental Matters

Environmental Regulations. Turk, Redbud Generating Facility, McClain Generating Facility, the Kaw Project, the Ponca City Repowering Project and the Charles D. Lamb Energy Center are subject to environmental regulation by federal, state and local authorities. Such regulations include air quality control standards relating to, among other matters, the acceptable amount of sulfur dioxide, nitrogen oxides and particulate discharges. The inability to comply with environmental standards or deadlines could result in reduced operating levels or complete shutdown of individual generating units not in compliance. In addition, compliance with environmental standards or deadlines may substantially increase capital and operating costs.

Hazardous Toxic Materials Regulations. Since the enactment by the Congress of the Resource Conservation & Recovery Act, the Toxic Substances Control Act and the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") or "Superfund," the electric utility industry has been subjected to increasing levels of environmental regulation and monitoring of hazardous and toxic materials and wastes. The Authority expects the co-owners of the plants it has an ownership interest in to take any actions necessary to ensure that such plants remain in compliance with federal, state and local requirements relating to the generation, treatment, storage and disposal of hazardous and toxic materials and wastes and to ensure employee protection and minimize exposure to hazardous materials.

See "Environmental Issues" under "CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY" herein.

Retail Distributed Generation Program

In response to increasing requests from Participating Trusts' retail customers, the Authority implemented a Distributed Generation Program effective June 14, 2012, which allows Participating Trusts to purchase distributed generation from their retail customers. The Program is voluntary on the part of the Participating Trusts, and the guidelines of the Program allow for only a "de minimis" amount of energy to be purchased through the Program by limiting the amount of aggregate capacity to the greater of (5) 5% of the average of the Participating Trust's peak demand for the preceding three years, or (2) 50 kW. Available resources are limited to renewable energy resources such as wind, hydro, biomass, solar and battery storage. In order to participate in the Program, a Participating Trust is required to execute an amendment to the Power Sales Contract. The Authority developed a "Toolkit" for Participating Trusts to use in preparing for retail behind-the-meter generation. To date, twenty-five Participating Trusts have elected to participate in the Program.

Future Power Supply Program

The Board of Directors of the Authority have approved additional generating capacity in the amount of 124MW at the existing Charles D. Lamb Energy Center. Engineering and procurement activities have commenced with the anticipated in-service date of 2029.

The capacity acquired and the power to be purchased by the Authority under the Power Supply Program, including minor market purchases, are projected by the Authority to be sufficient to meet the Authority's power supply obligations through 2031. The Authority will continue analysis and planning studies with respect to additional power supply resources to be included in the Authority's power supply program to meet the Authority's power supply requirements beyond 2025. Such power supply resources may include acquisition of ownership interests in coal-fired or gas-fired generating units of other utilities in the region, installation of simple or combined cycle generating units by the Authority, or additional power purchases.

THE PARTICIPATING TRUSTS

General

The 43 Participating Trusts, created under 60 O.S. 2011, §§176, *et seq.*, are located throughout Oklahoma with the exception of the panhandle and the southeast portion of the State.

Based on the 2020 U.S. Census Estimate, the Participating Trusts range in size from Orlando, with a population of approximately 130, to Edmond, with a population of approximately 94,428, and the 43 Participating Trusts served municipalities with a total population of 251,367.

Since 2010, the Authority has begun supplying power to six additional Oklahoma municipalities, including The Orlando Public Works Authority (January 2011), the Watonga Public Works Authority (November 2011), the Fort Supply Public Works Authority (May 2015), the Mooreland Public Works Authority (March 2015) and the New Cordell Utility Authority (December 2015). The Lindsay Public Works Authority has began receiving power from OMPA on June 1, 2025.

For the year ended December 31, 2024, the 42 Participating Trusts had a noncoincident peak demand of approximately 719.1 MW and total energy requirements of 2,668.1 MWh. As reflected in the following table, two Participating Trusts together accounted for 52.9% of the Participating Trusts' calendar year 2024 aggregate noncoincident peak demand and 51.7% of the Participating Trusts' calendar year 2024 aggregate energy requirements. Each of the remaining 40 Participating Trusts accounted for less than 10% of the Participating Trusts' calendar year 2024 aggregate noncoincident peak demand and energy requirements, respectively.

2020 Population Estimates and 2024 Peak Demand and Energy Requirements of Two Largest Participating Trusts

Participating Trust	2020 Population (U.S. Census)	2024 Noncoincident Peak Demand		2024 Energy Requirements	
		MW	% of Total	1,000 MWh	% of Total
Edmond	94,428	287.7	40.0%	1011.2	37.9%
Ponca City	27,798	92.7	12.9%	367.6	13.8%
All Others	<u>125,282</u>	<u>338.7</u>	<u>47.1%</u>	<u>1,289.3</u>	<u>48.3%</u>
Totals	<u>247,508</u>	<u>719.1</u>	<u>100.0%</u>	<u>2,668.1</u>	<u>100.0%</u>

Electric Systems and Management

Most of the Participating Trusts lease multiple revenue producing facilities from their beneficiaries, including electric, water and sanitary sewer systems, solid waste facilities, hospitals and other facilities. While each such facility may be operated separately and, to some extent, the Participating Trusts may record revenues and expenditures thereof separately, the majority of the Participating Trusts combine the operation and the revenues and expenditures of all leased revenue producing facilities for purposes of securing indebtedness and unified accounting. Accordingly, revenues derived from the operation of an electric

system may be available to pay for costs of operation (including debt service) of a water or sewer system and vice versa. In addition, some beneficiaries subsidize the operation of the leased facilities by periodic transfers of other available funds, such as municipal sales tax receipts, to the Participating Trusts and some Participating Trusts periodically transfer surplus revenues to their beneficiary.

Management of each Participating Trust's utility system(s) is vested in a board of trustees. Generally, the instrument creating the Participating Trust permits the trustees thereof to employ a manager to oversee the operation of the utility system(s) and other trust property. Accordingly, in most instances the day-to-day operation of the utility system(s) is managed by employees of the Participating Trust, who may also be the city manager or town administrator of the beneficiary municipality. In certain other instances, as provided by city charter or ordinances, management of the utility system(s) is vested in a utility manager who is not the same person as the city manager.

Rate Regulation of the Participating Trusts

Rates and charges for electric service provided by each Participating Trust to its respective customers are established by the board of trustees comprising the governing body of the Participating Trust, subject to the power of the municipality that is beneficiary of the trust to regulate such rates as hereinafter described. Generally, rates for electric service, or in the case of electric systems comprising a part of an integrated utility system, for the integrated utility system, are set in an amount, which, when combined with other available sources of funds, is sufficient to pay the costs of operation and maintenance of the system, to pay debt service on all obligations secured by the revenues of the system, including maintenance of required reserves, and to provide surplus monies in an amount deemed proper by the trustees to be returned to the beneficiary municipality for any lawful purpose not inconsistent with the instruments creating the Participating Trust, and governing issuance of bonds or other obligations of the Participating Trust.

Each Participating Trust is a public trust, a legal entity separate and distinct from the city or town which owns and has leased its electric system to the Participating Trust. The trustees of each Participating Trust are generally the same persons comprising the governing body of the beneficiary city or town. In the opinion of the Authority's General Counsel, under present Oklahoma law the ultimate power to regulate charges for electric service rendered by the Participating Trust remains in the beneficiary city or town. However, because the same persons generally comprise the governing bodies of both the Participating Trust and the beneficiary city or town, the Authority considers it highly unlikely that rates set by the Participating Trust would be disapproved or modified by the beneficiary city or town.

Description of Certain of the Beneficiary Cities and Participating Trusts

Selected demographic data and other descriptive information on the two largest Participating Trusts and their beneficiary cities is set forth below. The 2024 demand and energy requirements of these Participating Trusts represented approximately 52.9% and 51.7% of the total 2024 aggregate noncoincident peak demand and energy requirements, respectively, of all of the Participating Trusts. The remaining Participating Trusts and their beneficiaries can be characterized generally as rural communities with economies based largely on agriculture and/or activities related to the oil and gas industry. See "THE PARTICIPATING TRUSTS – Participating Trusts' Statistical and Financial Information" herein.

Edmond

The City of Edmond is situated in the center of the state and is contiguous with the northern boundary of Oklahoma City. The City of Edmond covers an area approximately 87 square miles, was incorporated in 1890, and has an estimated population of 94,428 according to the 2020 U.S. Census Estimate. The City of Edmond features quiet suburban living with a central business district, major shopping and office areas, and spacious residential developments. The City of Edmond has adopted a charter and operates under a Council-Manager form of government pursuant to the charter; the legislative

authority is vested in a five-member elected council, consisting of one council member from each of the four wards and the Mayor, who serves as council member at large.

The leading employers include Edmond Public Schools, University of Central Oklahoma, City of Edmond, Mercy Edmond, INTEGRIS Health Edmond, OU Medical Center Edmond, Petra Industries, Inc., Oklahoma Christian University, Crest Foods, and Summit Medical Center. For the fiscal year ended June 30, 2024, gross sales tax collections were down due to a reduction in the sales tax rate of 0.25%. However, gross sales grew slightly by 0.32%.

The City of Edmond provides electric, water, wastewater, drainage, and solid waste services to its residents under the legal entity of the Edmond Public Works Authority. The Edmond Public Works Authority is a public trust created under applicable Oklahoma statutes on October 6, 1970, with the City of Edmond named as the beneficiary thereof. The City Council serves as the governing body (Trustees) of the Edmond Public Works Authority. The Edmond Public Works Authority leases, among other things, the municipal electric system of the City of Edmond and operates the same as part of an integrated system for purposes of debt security. The Edmond Public Works Authority provides service from the electric system within the City of Edmond, serving approximately 43,508 customers as of June 30, 2024. For the fiscal year ended June 30, 2024, total operating revenues for the combined system were \$197,434,768 and total operating expenses were \$155,088,671.

Ponca City

The City of Ponca City, chartered as a village in 1895 and incorporated as a city four years later, encompasses an area of approximately 16 square miles and had an estimated population of 27,798 according to the 2020 U.S. Census Estimates. Ponca City is located in Kay County, in the extreme north central portion of Oklahoma. Ponca City has a modified Council-Manager form of government operating under a city charter; the legislative and policy making body consists of a Mayor and four Commissioners who are elected at large.

The major components of Ponca City's industrial base are oil and gas exploration, production and refining. In addition, Ponca City's industries include food processing, computer service and manufacturers of fabricated steel and oil field equipment. Major employers include Phillips 66, Ponca City Public Schools, Dorada Foods, Ponca City Medical Center, and Mertz Manufacturing, Inc. Sales and use tax revenue in the City of Ponca City's general fund totaled \$11,303,861 for the fiscal year ended June 30, 2024, an increase of 2.66% from the prior year.

The Ponca City Utility Authority was created in 1970 as a public trust for the benefit of Ponca City to finance, develop and operate the electric, water, wastewater, storm water, and solid waste facilities. The current City Commission serves as the governing body (Trustees) of the Ponca City Utility Authority. The Ponca City Utility Authority leases, among other things, the electric system from the City and operates the same as part of an integrated system for purposes of debt security. The Ponca City Utility Authority provides service from the electric system within Ponca City, serving approximately 15,957 customers as of June 30, 2024 (excluding Phillips 66, which obtains its electricity from other sources). For the fiscal year ended June 30, 2024, the combined system had total operating revenues of \$64,294,390 and total operating expenses of \$47,545,616.

Outstanding Indebtedness of Two Largest Participating Trusts

Set forth in the table below are the total principal amounts as of June 30, 2024, of the outstanding long-term indebtedness of the electric, water and sewer systems of the two largest Participating Trusts (described above) payable from revenues of the respective systems. The amounts listed in the table below are payable from the same sources as the payments under the Power Sales Contracts. For additional

financial information concerning the two largest Participating Trusts, see “THE PARTICIPATING TRUSTS – Participating Trusts’ Statistical and Financial Information” herein.

<u>Participating Trust</u>	<u>Total Indebtedness (Principal)</u>
Edmond	\$383,535,482
Ponca City	\$26,923,478

Participating Trusts’ Historical Power and Energy Requirements

The following table presents the aggregate power and energy requirements, as metered at the delivery point of each Participating Trust’s electric system, during the periods ended December 31 shown below.

Participating Trusts’ Aggregate Historical Power and Energy Requirements

<u>Year</u>	<u>Noncoincident Peak Demand</u>		<u>Metered Energy</u>	
	<u>MW</u>	<u>Percent Increase (Decrease)</u>	<u>1,000 MWh</u>	<u>Percent Increase (Decrease)</u>
2020	657.6	(5.28)	2,496.58	(2.62)
2021	679.3	3.31	2,569.05	2.90
2022	746.5	9.88	2,742.52	6.75
2023	730.9	(2.08)	2,610.09	(-4.83)
2024	719.1	(1.61)	2,668.09	2.22

Note: Summer 2017, 2019 and 2020 were mild for the region.

Participating Trusts’ Historical and Projected System Requirements

Each of the projections set forth under this caption has been made by the Authority based in part upon certain assumptions made by it with respect to events expected to occur in the future and upon information furnished to it by others. The Authority believes these assumptions are reasonable and that the information furnished to it is reliable, although it has not independently verified such information and offers no assurance with respect thereto. To the extent that actual conditions vary from those assumed or from the information provided by others, the actual results will vary from those forecasted, and such variances could be substantial.

Under the terms of the Power Sales Contracts, the Authority has the responsibility of supplying the total power and energy requirements of each Participating Trust, with the exception of the 16 Participating Trusts with SWPA allocations. The Authority’s responsibility relative to these Participating Trusts is to supply the power and energy requirements in excess of such Participating Trusts’ SWPA power and energy allocation.

The following table sets forth historical and projected system energy and coincident peak demand requirements of the Participating Trusts for periods ending December 31, adjusted for losses.

**Participating Trusts' Aggregate
Historical and Projected System Requirements**

<u>Year</u>	<u>Peak Demand MW</u>	<u>Energy 1,000 MWh</u>
<u>Historical</u>		
2020	657.6	2,496.6
2021	679.3	2,569.1
2022	746.5	2,742.5
2023	730.9	2,610.1
2024	719.1	2,668.1
<u>Projected</u>		
2025	712.8	2,673.4
2026	714.9	2,694.4
2027	716.9	2,704.5
2028	718.8	2,714.9
2029	720.7	2,723.5

Participating Trusts' Statistical and Financial Information

The data presented under this sub-caption has been compiled by the Authority from information provided to the Authority by the Participating Trusts, including their audited financial reports and other sources believed to be reliable. The Participating Trusts are, in many cases, small communities with minimal record keeping capability. Consequently, the data may not be available for all Participating Trusts in each category and data made available is not always presented in a manner which lends to uniform presentation. While the Authority has attempted to reconstitute the data and present it here consistently, that goal cannot always be accomplished and the Authority does not make any representation as to the accuracy thereof.

Most of the Participating Trusts lease multiple revenue producing facilities from their beneficiaries, including electric, water and sanitary sewer systems, solid waste facilities, hospitals and other facilities. While each such facility may be operated separately and, to some extent, the Participating Trusts may record revenues and expenditures thereof separately, the majority of the Participating Trusts combine the operation and the revenues and expenditures of all leased revenue producing facilities for purposes of securing indebtedness and unified accounting. Accordingly, revenues derived from the operation of an electric system may be available to pay for costs of operation (including debt service) of a water or sewer system or vice versa. In addition some beneficiaries subsidize the operation of the leased facilities by periodic transfers of other available funds, such as municipal sales tax receipts, to the Participating Trusts and some Participating Trusts periodically transfer surplus revenues to their beneficiary. The Participating Trusts operate integrated utility systems.

The selected statistics of the Participating Trusts presented in Table 1 provide the population, system requirements, number of customers, and energy sales from power sales by customer category for the Participating Trusts for the calendar years 2020 through 2024. Data for the two largest Participating Trusts are presented individually, while data for the remaining Participating Trusts are presented in the aggregate.

The information presented in Tables 2 and 3 summarizes and restates the operating results of the two largest Participating Trusts for the fiscal years 2020 through 2024 (each fiscal year ends on June 30).

The information contained in Tables 2 through 3 is extracted from, among other sources, audited financial statements of the respective Participating Trusts. These financial statements were not examined by the auditors of the Authority. The Authority has verified the data contained in Tables 2 through 3 with respective officials of each Trust reported and therefore relied on the reported financial statements and confirmations received by the respective parties on the information contained therein.

TABLE 1
OKLAHOMA MUNICIPAL POWER AUTHORITY
Participating Trusts' Population and System Requirements

<u>Population</u>	<u>Total</u>	<u>Edmond</u>	<u>Ponca City</u>	<u>Other</u>
2020 Estimates	247,508	94,428	27,798	125,282
2010 (U.S. Census)	242,140	81,405	25,387	135,348
2000 (U.S. Census)	219,111	68,315	25,919	124,877
System Requirements for Calendar Year:				
-2024-				
System Peak Demand (MW)	719.1	287.7	92.7	338.7
System Energy Total (MWh)	2,668,094	1,011,224	367,615	1,289,255
-2023-				
System Peak Demand (MW)	730.8	290.6	96.0	344.3
System Energy Total (MWh)	2,610,087	977,507	362,352	1,270,228
-2022-				
System Peak Demand (MW)	746.5	298.0	95.5	353.0
System Energy Total (MWh)	2,742,520	1,010,915	376,550	1,355,055
-2021-				
System Peak Demand (MW)	679.3	265.7	91.6	322.0
System Energy Total (MWh)	2,569,054	943,484	359,207	1,266,363
-2020-				
System Peak Demand (MW)	657.6	251.3	87.4	318.9
System Energy Total (MWh)	2,496,584	915,164	352,201	1,229,219

TABLE 2
EDMOND PUBLIC WORKS AUTHORITY
Summary of Operating Results (Integrated Utility System)

Fiscal Year Ended June 30	2024	2023	2022	2021	2020
Customers					
Residential	38,635	38,181	37,624	36,900	36,509
Commercial	4,473	4,414	4,351	4,304	4,298
Industrial & Other	400	399	396	396	395
Total Customers	43,508	42,994	42,371	41,600	41,202
System Requirements (Note 1)					
Peak Demand (kW)	287,683	290,600	297,950	265,675	251,326
Total Metered Energy (kWh)	1,011,224,205	977,506,602	1,010,915,158	943,484,311	915,163,945
Energy Sales (kWh) (Note 2)					
Residential	549,162,765	544,409,878	527,545,192	500,863,810	507,506,723
Commercial	290,256,826	283,949,692	282,391,692	267,294,376	263,551,949
Industrial & Other	92,225,686	90,532,175	91,646,873	77,616,537	81,616,482
Total Energy Sales	931,645,277	918,891,745	901,583,757	845,774,723	852,875,154

Operating Revenues (Electric System only)					
Charges for Services, net of bad debt expense	105,545,516	106,973,303	98,305,858	92,533,246	95,263,419
Miscellaneous	26,750	15,351	19,501	13,071	12,759
Operating grants and contributions	0	0	0	15,416	53,797
Total Operating Revenues	105,572,266	106,988,654	98,325,359	92,561,733	95,329,975
Operating Expenses (Electric System only)					
Personal Services	8,035,231	7,391,396	5,563,469	6,293,281	5,989,472
Materials and Supplies	3,290,145	2,115,310	5,292,255	1,709,724	1,843,593
Maintenance, Operations and Contractual Services	17,993,137	19,901,718	9,723,805	11,598,603	11,029,130
Wholesale Electricity Purchases	61,140,151	73,878,027	73,452,980	59,004,060	54,945,171
Economic Development	0	0	0	0	0
Depreciation and Amortization	4,677,803	4,358,047	3,879,707	3,630,201	3,437,842
Total Operating Expenses	95,136,467	107,644,498	97,912,216	82,235,869	77,245,208
Operating income (loss)	10,435,799	(655,844)	413,143	10,325,864	18,084,767
Investment Income	2,367,527	1,036,318	(591,764)	317,752	1,618,846
Interest Expense & Fiscal Charges	47	4,814	456	(4,538)	(7,735)
Miscellaneous Income (Deductions)	48,412	46,713	20,541	122,043	119,196
Gain (Loss) on Disposal of Assets	(17,333)	(105,711)	0	0	0
Extraordinary Item-gain on fire damage	0	0	0	0	0
Transfers to (from) other funds	(5,199,261)	4,307,525	(3,607,326)	(3,147,092)	(11,722,690)
Net Income (Loss)	\$ 7,635,191	\$ 4,633,815	\$ (3,764,950)	\$ 7,614,029	\$ 8,092,384
Total Debt Service on Bonds (Note 3)	\$ 16,421	\$ 144,552	\$ 69,266	\$ 89,634	\$ 85,191

Note 1 The peak demand and total metered energy information is based upon years ending December 31.

Note 2 Energy sales is a sum of monthly load control surveys provided by City of Edmond.

Note 3 Debt service on Bonds was calculated by summing the Principal Paid and the Interest Paid line items as stated in the City's Statement of Cash Flows for the Electric Fund.

TABLE 3

PONCA CITY UTILITY AUTHORITY
Summary of Operating Results (Integrated Utility System)

Fiscal Year Ended June 30	2024	2023	2022	2021	2020
Customers					
Residential	13,615	13,859	13,828	13,810	13,887
Commercial	2,056	2,058	2,043	2,027	2,015
Industrial	18	21	29	18	16
Other	268	236	240	211	181
Total Customers	15,957	16,174	16,140	16,066	16,099
System Requirements (Note 1)					
Peak Demand (kW)	92,710	96,001	95,464	91,607	87,391
Total Metered Energy (kWh)	367,614,721	362,352,131	376,550,224	359,206,546	352,200,912
Energy Sales (kWh) (Note 2)					
Residential	134,523,689	151,419,169	177,669,623	145,358,618	146,067,058
Commercial	41,579,594	98,001,132	96,029,414	91,340,677	96,720,105
Industrial	78,190,122	60,677,878	51,872,496	58,844,662	71,789,772
Other	16,099,434	20,726,822	20,574,495	23,372,381	23,190,506
Total Energy Sales	280,392,844	330,825,001	346,146,028	318,916,338	337,767,441
Operating Revenues (Electric System only)					
Utility charges for service	38,553,068	43,170,452	42,474,646	35,839,887	35,224,686
Penalties and Miscellaneous	0	0		0	0
Total Operating Revenues	38,553,068	43,170,452	42,474,646	35,839,887	35,224,686
Operating Expenses (Electric System only)					
Personal Services	3,307,630	3,502,422	2,809,572	2,608,399	2,758,787
Materials and Supplies	115,653	124,494	83,825	100,824	87,601
Maint, oper & contractual services	2,268,489	2,430,230	1,418,226	1,951,961	1,797,057
Electricity Purchased	21,135,803	26,046,212	26,651,743	21,401,340	19,927,440
Depreciation and Amortization	2,194,054	2,143,284	2,039,544	2,054,309	2,029,700
Total Operating Expenses	29,021,629	34,246,642	33,002,910	28,116,833	26,600,585
Operating Income (Loss)	9,531,439	8,923,810	9,471,736	7,723,054	8,624,101
Nonoperating Revenue (Expenses)					
Investment Income	519,119	391,123	225,997	66,049	296,912
Gain (loss) on disposal of assets	76	20,300	0	0	(90,888)
Interest Expense & Fiscal Charges	(18,102)	(27,065)	(29,184)	(82,051)	(104,817)
Net transfers From (To) accts/funds	(9,133,406)	(8,977,106)	(8,743,631)	(8,386,501)	(8,717,310)
Change in Net Assets	\$ 899,126	\$ 331,062	\$ 924,918	\$ (679,449)	\$ 7,998
Total Debt Service on Bonds (Note 3)	\$ 761,082	\$ 761,128	\$ 761,410	\$ 743,241	\$ 695,647

Note 1 The peak demand and total metered energy information is based upon years ending December 31.

Note 2 Energy sales provided by City of Ponca City.

Note 3 Debt service on Bonds was provided by Ponca City Utility Authority.

CERTAIN FACTORS AFFECTING THE ELECTRIC UTILITY INDUSTRY

General

The electric utility industry in general has been, and in the future may be, affected by a number of factors which could impact the financial condition and competitiveness of many electric utilities and the level of utilization of generating facilities, such as those of the Authority. One of the most significant of these factors is the efforts on national and local levels to restructure the electric utility industry from a heavily regulated monopoly to an industry in which there is open competition for power supply service on both the wholesale and retail level. Due to the limited success of retail competition, these efforts have stalled in recent years. In addition, such factors include, among others, (a) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements, (b) changes resulting from conservation and demand-side management programs on the timing and use of electric energy, (c) changes that might result from a national energy policy, (d) increasing competition from independent power producers and marketers and brokers and other electric utilities (including increased competition resulting from mergers, acquisitions and “strategic alliances” of competing utilities and of natural gas utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of, and new facilities for, producing low-cost electricity, (e) “self-generation” or “distributed generation” (such as roof-top solar) by retail customers and others, (f) issues relating to the ability to issue tax exempt obligations, (g) service restrictions on the ability to sell to nongovernmental entities electricity from generation projects financed with outstanding tax exempt obligations, (h) changes from projected future load requirements, (i) increases in costs and the effects of inflation, (j) shifts in the availability and relative costs of different fuels, (k) sudden and dramatic increases in price of energy purchased on the open market that may occur in times of high peak demand in an area of the country experiencing such high peak demand, (l) effects of changes in the economy, (m) effects of possible manipulation of the electric markets, and (n) natural disasters or other physical calamities, including, but not limited to, tornadoes and earthquakes. Any of these factors (as well as other factors) could have an adverse effect on the financial condition of any given electric utility and likely will affect individual utilities in different ways.

The Authority cannot determine with certainty what effects such factors will have on its business operations and financial condition, but the effects could be significant. The following is a brief discussion of some of these factors. However, this discussion does not purport to be comprehensive or definitive, and these matters are subject to change subsequent to the date hereof. Extensive information on the electric utility industry is, and will be, available from sources in the public domain, and potential purchasers of the securities of the Authority should obtain and review such information.

As a result in the change in Presidential Administrations, the United States Environmental Protection Agency (“EPA”) will likely change its approach towards new regulations. The Authority will be actively monitoring the approach of the new EPA to determine any impact on its operations.

Federal Energy Legislation

The Energy Policy Act of 1992. The Energy Policy Act of 1992 (“EPACT 1992”) made fundamental changes in the federal regulation of the electric utility industry, particularly in the area of transmission access. The purpose of these changes, in part, was to bring about increased competition in the electric utility industry. As amended by EPACT 1992, Sections 211, 212 and 213 of the Federal Power Act provide FERC authority, upon application by any electric utility, federal power marketing agency or other person or entity generating electric energy for sale or resale, to require a transmitting utility to provide transmission services (including any enlargement of transmission capacity necessary to provide such services) to the applicant at the rates, charges, terms and conditions set by FERC based on standards and provisions in the Federal Power Act. Under EPACT 1992, electric utilities owned by municipalities and other public agencies which own or operate electric power transmission facilities that are used for the sale

of electric energy at wholesale are “transmitting utilities” subject to the requirements of Sections 211, 212 and 213.

The Energy Policy Act of 2005. The Energy Policy Act of 2005 (“EPACT 2005”) provides for mandatory reliability standards to increase the electric grid’s reliability and minimize blackouts, criminal penalties for manipulative energy trading practices and the repeal of the Public Utility Holding Company Act of 1935, and delegates some recordkeeping requirements to FERC. In EPACT 2005, Congress also, among other things, (a) authorizes FERC to require “unregulated transmitting utilities” that were formerly exempt from regulation under Federal Power Act (“FPA”) Sections 205 and 206 to provide open access to their transmission systems and to comply with certain rate change provisions of FPA Section 205; (b) authorizes FERC to order refunds for certain short-term wholesale sales made by state and municipal power entities if such sales violate FERC-approved tariffs or rules; (c) allows load serving entities with certain firm transmission rights to continue to hold those rights to serve customers; (d) requires an “electric reliability organization” (“ERO”) to develop standards to ensure the reliability of the bulk transmission system, with such standards mandatory and enforceable by the ERO and FERC (and the ERO able to delegate its authority to regional entities); (e) amends the FPA to prohibit market manipulation and the submission to FERC of false or misleading information; (f) authorizes FERC to issue permits for transmission projects located in “national interest electric transmission corridors” as such is defined by the US Department of Energy, if the applicable state or regional siting agency does not timely authorize a project or imposes unreasonable conditions on the project; (g) eliminates the ownership requirement on electric utilities in qualifying facilities (“QFs”) under Section 210 of the Public Utility Regulatory Policies Act of 1978 (“PURPA”) and authorizes FERC to eliminate prospectively the purchase obligation of electric utilities to purchase power from QFs if certain conditions imposed by FERC are met; (h) requires state utility regulatory commissions and “non-regulated electric utilities” to consider adopting certain standards on net metering, fuel diversity, fossil fuel plant diversity, demand response and interconnection with distributed generation facilities; (i) expands FERC’s authority to review mergers of public utility companies; and (j) directs FERC to establish transmission investment incentives in transmission rate structures for public utilities.

EPACT 2005 contains provisions designed to increase imports of liquefied natural gas and incentives to support renewable energy technologies. EPACT 2005 also extends for 20 years the Price-Anderson Act, which concerns nuclear power liability protection, and provides incentives for the construction of new nuclear plants.

Energy Independence and Security Act of 2007. The Energy Independence and Security Act of 2007 (“EISA 2007”) was designed to boost energy independence and reduce dependence on imported oil. The most prominent features of the legislation were provisions updating the fuel economy standard for automobiles and expanding the renewable fuel standard for ethanol in gasoline. EISA 2007 included several elements impacting the electric utility sector. The legislation updated appliance efficiency standards for a wide array of consumer products. EISA 2007 also set lighting standards, including the discontinuation of incandescent light bulbs. In addition, the legislation began federal involvement in development of the “smart grid,” including standard-setting on interoperability, establishment of federal research and development efforts, and creation of an advisory task force.

Consolidated Appropriations Act of 2016. In lieu of passing the 12 separate appropriations bills to fund the various functions of the federal government for its 2016 fiscal year, Congress enacted the Consolidated Appropriations Act of 2016 (the “Consolidated Appropriations Act”). In addition to setting spending levels for federal agencies, the legislation included a number of extensions of expired or expiring tax provisions, including the production tax credit for wind projects (the “Wind PTC”), which had expired December 31, 2015. The Consolidated Appropriations Act retroactively extended and phased out the Wind PTC. The Wind PTC is now available to projects that commence construction prior to December 31, 2020, with the credit reduced by 20% for projects commencing construction in 2017, 40% for projects commencing construction in 2018, and 60% for projects commencing construction in 2019. In addition,

the Consolidated Appropriations Act includes the Cybersecurity Information Sharing Act of 2015, which enables information sharing between federal agencies and business and provides liability protection for information disclosure by businesses complying therewith. The legislation also authorizes municipal utilities to shield sensitive data and information from disclosure under public sunshine laws.

Environmental Issues

The Authority's electric utility operations are subject to continuing environmental regulation and federal, state, regional and local standards and procedures (the "regulations"). These regulations regulate the environmental impact of the Authority's System and the systems of other utilities from which the Authority purchases power, and are subject to change. Any such changes may arise from legislative, regulatory, or judicial actions regarding the regulations. Consequently, there is no assurance that generating units in operation, under construction, or contemplated will remain subject to the regulations currently in effect, will always be in compliance with future regulations, or will always be able to obtain all required permits. Environmental regulations could result in increased costs of operating units, reduced operating levels, or the shut-down of electric generating units not in compliance. Violation of environmental regulations and permits may result in civil and criminal penalties. Such legislative, regulatory or judicial actions may affect the costs of the Authority, of Participating Trusts or of the Authority's suppliers of wholesale power. With a change in Federal political leadership, many environmental regulations are anticipated.

Mercury and Air Toxics Standards (MATS). Under Section 112 of the Clean Air Act, the EPA is required to set emission standards for hazardous air pollutants ("HAPs") for certain source categories. The EPA published the final MATS rule in the Federal Register on February 16, 2012, addressing such emissions from coal-fired utility units greater than 25 MW. In the final MATS rule, the EPA established categories of HAPs, including mercury, trace metals other than mercury, acid gases, dioxin/furans, and organics other than dioxin/furans. The EPA also established emission limits for the first three categories of HAPs, and work practice standards for the remaining categories. On March 29, 2017, EPA finalized a rule to streamline e-reporting in MATS. This rule was altered on June 26, 2018 to extend the ability to report using PDF file format until July 1, 2020. On December 27, 2018, EPA issued a proposed revised Supplemental Cost Finding for the Mercury and Air Toxics Standard. This proposed rule would remove regulation of HAP emissions from power plants under Section 112 of the Clean Water Act, but the MATS rule would remain in place due to the EPA not proposing to remove Coal fired power plants from Section 112. EPA publishes a final revised Supplemental Cost Findings on May 22, 2020. The Authority's facilities are in compliance with the MATS rule.

Cross-State Air Pollution Rule (CSAPR) and Clean Air Interstate Rule (CAIR). On July 6, 2011, the EPA issued CSAPR, which requires electric generating facilities in certain states, including Oklahoma, to have sufficient allowances to cover emissions of SO₂ and NO_x. After years of litigation, the U.S. Supreme Court upheld the CSAPR rule.

On November 16, 2015, the EPA proposed an update to CSAPR that would reduce ozone season NO_x budgets in states, including Oklahoma, beginning in 2017. The Authority's affected plants have installed retrofit technology to reduce emissions of the affected pollutants. The Turk plant was designed with both SO₂ and NO_x removal technologies.

On September 7, 2016, the EPA finalized an update to CSAPR. Starting in May 2017, this rule reduces allowed summertime (May - September) nitrogen oxides (NO_x) emissions from power plants in 22 states including Oklahoma. This program is based on a cap-and-trade program administered through the Clean Air Markets Division (CAMD) system.

On September 21, 2017, EPA finalized a rule to remove the CSAPR SO₂ and annual NO_x emissions from the trading program for Texas. On September 13, 2019, the CSAPR Update was remanded. The Authority is in compliance with the current CSAPR regulations.

National Ambient Air Quality Standards (NAAQS). NAAQS are established to protect human health (“primary standards”) or public welfare (“secondary standards”). The EPA is required to review the NAAQS every five years. If the EPA determines that a state’s air quality is not in compliance with a NAAQS, the state is required to establish plans to reduce emissions to demonstrate attainment with that NAAQS. None of the Authority’s generating facilities are currently subject to a NAAQS attainment plan.

Specific NAAQS that have recently been revised or are currently proposed for revision are as follows:

- **Ozone NAAQS.** On October 1, 2015, the EPA revised its NAAQS for ground-level ozone to 70 parts per billion (“ppb”), which is more stringent than the 75 ppb standard set in 2008. Under this rule, areas must be designated as either attainment or nonattainment for this new ozone NAAQS on or before October 1, 2017, and states with nonattainment areas will have up to three years following designation to submit a revised state implementation plan (“SIP”) outlining strategy and emission control measures to achieve compliance. The nature and consequences of non-attainment designation cannot be predicted at this time.
- **Fine Particulate Matter NAAQS.** The EPA finalized the NAAQS Fine Particulate Matter (“PM_{2.5}”) standards in September 2006. Since then, the EPA established a more stringent 24-hour average PM_{2.5} standard and kept the annual average PM_{2.5} standard and the 24-hour coarse particulate matter standard unchanged. The EPA issued a final PM_{2.5} rule on December 14, 2012, that reduced the annual PM_{2.5} standard from 15 µg/m³ to 12 µg/m³. The rule left the 24-hour PM_{2.5} standard of 35 µg/m³ unchanged. The change in the PM_{2.5} has not resulted in non-attainment designations or otherwise had a material adverse effect on the operations of the Authority’s generating facilities. On August 24th, 2016, the EPA issued an updated Final PM Implementation Rule with no significant changes that effect the Authority. On December 7, 2020, the EPA retained the current rules without revision.
- **SO₂ and NO₂ NAAQS.** During 2010, the EPA finalized new one-hour NAAQS for both sulfur dioxide (“SO₂”) and nitrogen dioxide (“NO₂”). On August 10, 2015, the EPA issued its Data Requirements Rule establishing timelines and procedures for implementation of the SO₂ standard. A March 2015 court order requires the EPA to complete designations of all areas by the end of 2020. On April 18, 2018, the existing NO₂ standards were retained without revision. On March 18, 2019, the existing SO₂ standards were retained without revision. Oklahoma is not included within the EPA’s list of non-attainment areas for SO₂.

Regulation of Coal Combustion Residuals. On October 19, 2015, the EPA finalized the Coal Combustion Residuals (“CCR”) rule to regulate the disposal of coal waste as non-hazardous waste from coal-fired power plants under subtitle D of the Resource Conservation and Recovery Act that came into effect. The rule applies to new and existing facilities and establishes a comprehensive set of requirements for the disposal of coal combustion residuals (CCRs or coal ash) in landfills and surface impoundments. This will require an engineering review of impoundment facilities and groundwater monitoring and the operator of the Authority’s coal-fired facilities has begun compliance measures. On March 1, 2018, the EPA proposed an update to the rule to address provisions of the final rule that were remanded back to the Agency by the DC Court of Appeals, provided alternative performance standards, and other general changes. On May 8, 2024, the EPA finalized changes to the CCR regulations for inactive surface impoundments at inactive electric utilities, referred to as “legacy CCR surface impoundments.” Within tailored compliance deadlines, owners and operators of legacy CCR surface impoundments must comply with all existing requirements applicable to inactive CCR surface impoundments at active facilities, except

for the location restrictions and liner design criteria. On July 22, 2025, EPA published a direct final rule and companion proposal creating an additional option for certain owners and operators to comply with the Facility Evaluation Report (FER) Part 1 requirements and to extend compliance deadlines for the remaining CCRMU provisions. With this rule, EPA would allow the two parts of the FER to be prepared concurrently so long as both reports are submitted no later than February 8, 2027. Additionally, EPA would extend the deadline for owners or operators of CCRMU to comply with the groundwater monitoring provisions by 15 months, to no later than August 8, 2029. Since the FER and groundwater monitoring requirements serve as prerequisites for other CCRMU requirements, with this rule, EPA would also make conforming changes to the remaining CCRMU compliance deadlines. EPA is proposing these same changes and soliciting comment on another alternative in a companion proposal. The current comment period closes August 21, 2025. EPA is working on reopening the comment period until September 15, 2025. The operator of the jointly-owned plants has been complying with the monitoring, testing, and notification requirements of the Rule. The Authority's long-term capital plan incorporates estimated costs for compliance at the various plants and expects no significant rate impact at this time.

Steam Electric Power Generating Effluent Guidelines. On September 30, 2015, the EPA finalized a rule revising the regulations applicable to certain steam electric power generators. The rule sets technology-based limits on the levels of toxic metals in wastewater that can be discharged from power plants. Each plant subject to the new effluent limitation guidelines ("ELG") must comply between 2018 and 2023, depending on when a plant is required to obtain a new National Pollutant Discharge Elimination System ("NPDES") permit. On April 12, 2017, the EPA Administrator announced he would reconsider ELGs for the power sector. On September 18, 2017, the EPA finalized a rule postponing certain compliance dates for the more stringent ELG guidelines for a period of two years pending rulemaking to potentially revise the 2015 rule.

Cooling Water Intake Rule. On May 19, 2014, the EPA administrator signed a final rule establishing standards for cooling water structures at existing power plants and manufacturing facilities pursuant to Section 316(b) of the Clean Water Act (the "316(b) Rule"). The 316(b) Rule is to be implemented through National Pollutant Discharge Elimination System ("NPDES") permits.

Section 316(b) of the Clean Water Act requires that the location, design, construction and capacity of cooling water intake structures reflect the best technology available for minimizing adverse environmental impact. The 316(b) Rule is aimed at reducing fish impingement and fish entrainment at cooling water systems.

Waters of the United States Rule. On May 27, 2015, the EPA and the Department of the Army finalized the "Waters of the United States" rule, which became effective on August 28, 2015. The rule clarifies which streams, wetlands, and other waters are considered "Waters of the United States" and, thus, subject to permitting requirements under the Clean Water Act. The proposal expands jurisdiction, broadens the definitions of tributaries, adjacent waters and other waters. On October 9, 2015, the U.S. Court of Appeals for the Sixth Circuit issued a nationwide stay against the enforcement of the rule pending further action of the court. In response to this decision, the EPA and the Department of Army resumed nationwide use of the agencies' prior regulations defining the term "waters of the United States." The new rule, if upheld, is not expected to materially impact the Authority. On February 28, 2017, the President issued an Executive Order directing the EPA and the Department of the Army to review and rescind or revise the 2015 Rule. On January 22, 2018, the Supreme Court held that the courts of appeals do not have original jurisdiction to review challenges to the 2015 Rule. On January 31, 2018, the agencies signed a final rule adding an applicability date to the 2015 Rule to maintain the legal status quo of pre-2015 implementation.

On December 22, 2018, the EPA and the Army proposed a rule modifying the definition of the "water of the United States." The public comment period for this new definition ended on April 15, 2019. On October 22, 2019, the final rule was issued. On June 22, 2020, the rule was replaced by the Navigable Waters Protection Rule. The Authority is in compliance with the current rules.

Reciprocating Internal Combustion Engine (RICE) National Emission Standard for Hazardous Air Pollutants (NESHAP). On March 3, 2010, the EPA published its final RICE NESHAP rule. The rule generally requires the retrofitting of emission control equipment on a broad class of existing RICE units. On January 30, 2013, the EPA finalized amendments to the RICE NESHAP rule that created an exemption from otherwise applicable emission requirements, allowing “emergency” RICE units to operate for up to 100 hours per year for “emergency demand response” (the “100-Hour Exemption”). On May 1, 2015, the D.C. Circuit vacated the 100-Hour Exemption. The EPA sought a stay of the Court’s mandate until May 1, 2016, which was granted by the D.C. Circuit on August 18, 2015. The Authority does not expect to be materially impacted by the RICE NESHAP rule or the pending legal challenges.

Regulation of Greenhouse Gases. On October 23, 2015, the EPA published a final rule pursuant to Section 111(b) of the Clean Air Act establishing carbon dioxide (“CO₂”) New Source Performance Standards (“NSPS”) for new, modified and reconstructed fossil fuel-fired electric generating units (“EGUs”). The NSPS for modified EGUs applies to units that implement a physical or operational change that significantly increases the unit’s potential emissions. The NSPS for reconstructed EGUs applies to units that replace components to the extent that the capital cost of the new components exceeds 50 percent of the capital cost of a comparable new unit. The NSPS for modified and reconstructed units would apply only if the Authority were to modify or reconstruct one of its existing generating units in a way that triggers the applicability of the rule.

Affordable Clean Energy Rule. On June 19, 2019, the EPA adopted the Affordable Clean Energy Rule (“ACE”). Under Section 111(d) of the Clean Air Act the EPA must determine the Best System of Emissions Reduction (“BSER”) for CO₂ at individual fossil-fuel fired steam generator units. The ACE rule makes the determination that BSER for CO₂ at individual fossil fuel steam generating plants to be heat rate improvement projects. The ACE rule leaves it up to the individual states to use the guidelines provided by the EPA to develop standards of performance that reflect the application of the BSER. On January 19, 2021, the ACE rule was vacated. Further, on February 12, 2021, the EPA issued a memorandum to the States stating they do not expect further action on this rule. Another rule is expected soon to limit CO₂. The Authority is monitoring this situation and will respond as needed.

Decarbonization of the Electric Sector. The Authority is closely monitoring the activities of congress and federal agencies as they consider and propose legislation and/or administrative rules related to the reduction of carbon emissions from the electric utility sector. With the Authority’s high level of non-carbon emitting resources coupled with the planned retirement of 3 coal plants, the Authority believes it is positioning itself to manage the transition. The announcement of the 120MW North Fork Solar project will continue the Authority’s trend to low and non-carbon resources. No definitive impact can be determined at this point as no legislation or rules have been enacted.

New Source Review. The Clean Air Act prohibits physical changes (other than routine maintenance, repair and replacement) or changes in method of operations that result or could result in increased emissions without first applying for and receiving the required permits under the Clean Air Act. Such permits would generally require the installation of additional pollution control equipment. It is the EPA’s policy to actively pursue NSR enforcement actions against electric utilities for making such changes to their coal-fired power plants in violation of the Clean Air Act. If such violations are found to have occurred, the EPA or other enforcement authorities could require the installation of new pollution control equipment in addition to modifications that have already been completed or planned and could require the payment of fines and penalties.

Superfund. The Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) or “Superfund,” as well as similar state laws, impose strict liability for cleanup costs upon those who generate or dispose of hazardous substances and hazardous wastes. Past disposal practices may result in Superfund liability for previously approved disposal methods or sites that have been operated or closed under past regulations. In addition, under these statutes, a party may be held liable for cleanup

activities on property that it owns and operates, even if the conditions requiring cleanup existed before such party's occupancy of a site. It is also possible for a generator of waste materials to be held liable for the cleanup of off-site disposal locations, even if such disposal was conducted legally at the time it occurred.

MANAGEMENT DISCUSSION OF RECENT UNAUDITED FINANCIAL INFORMATION

The following discussion and analysis of the Authority's financial performance provides an overview of the Authority's financial activities for the three-month and twelve-month periods ended June 30, 2025, in comparison with the same periods ended June 30, 2024. Please recognize that these comments relate only to the financial excerpts included herein. The Authority's audited basic financial statements for years ended December 31, 2024 and 2023 are included in Appendix B.

Financial Highlights **(Dollars in Thousands)**

Net operating revenues decreased by \$2,400 for the three-month period and \$5,137 for the twelve-month period. Net Revenues decreased \$2,403 for the three months and \$5,345 for the twelve months ended June 30, 2025 compared to the same period in 2024. The decrease in Net Operating Revenue and Net Revenue for the three months ending June 30, 2025, and the twelve months ending June 30, 2025 are primarily driven by revenue that has been deferred to rate stabilization. These contributions included a \$3.5 million contribution in June 2025, and \$4.4 million net contribution in 2024.

Significant changes to note on the Balance Sheet between June 30, 2025 and 2024 are the increase in construction in progress by \$13,671, which includes costs related to the Kaw plant rehab project, Redbud plant projects and other projects. The Rate Stabilization Account has increased \$8,618 between June 30, 2025 and 2024, which includes a mid-year addition of \$3.5 million in June 2025.

Utility Plant and Debt Administration

Utility Plant. Net utility plant decreased \$172 for the year ended June 30, 2025, this amount represents the amount by which depreciation expense exceeded plant asset additions.

As of June 30, 2025 generation plant in service totaled \$242,027 net of depreciation. Electric plant consisted of generation plant in the amount of \$608,734 that represents ownership in 43 megawatts of undivided ownership in the Turk Plant in Arkansas, 110 megawatts of the undivided ownership in the McClain Plant, 156 megawatts of undivided ownership in the Redbud plant, 103 megawatts in the Charles D. Lamb Energy Center plus another 137 megawatts of generating plant owned and operated by the Authority in Oklahoma.

The Authority also has \$20,554 of general plant, net of depreciation, at June 30, 2025, consisting of substation facilities, a small amount of transmission lines, and the Authority headquarters building.

Debt Administration. Revenue bonds outstanding as of June 20, 2025 were \$506,520, including unamortized premium of \$21,817 and the current portion of \$23,170 due January 2, 2026. This amount excludes advances under a Bank of America line of credit in the amount of \$3,800, and the FPL Wind Energy note of \$13,862 that is secured by lease revenues from FPL Wind Energy.

Oklahoma Municipal Power Authority

Balance Sheet

(UNAUDITED, DOLLARS IN THOUSANDS)

	JUNE 30	
	2025	2024
ASSETS AND OTHER DEBITS		
UTILITY PLANT:		
Electric Plant in Service	\$ 653,519	\$ 648,603
Construction in Progress	21,244	7,573
Leased Assets	13,862	17,339
Accumulated Depreciation	(347,060)	(331,778)
	<u>341,565</u>	<u>341,737</u>
 RESTRICTED FUNDS	 45,220	 38,740
 Cash and Investments	 68,199	 75,271
Net Receivables	17,020	16,705
Inventory	1,504	1,742
Prepayments	3,273	4,142
Interest Receivable	710	483
	<u>90,706</u>	<u>98,343</u>
 OTHER ASSETS	 167,163	 176,686
	<u>\$ 644,654</u>	<u>\$ 655,506</u>
LONG TERM DEBT:		
Series 2010 Bonds Payable	\$ 70,000	\$ 70,000
Series 2014 Bonds Payable	8,115	24,675
Series 2016 Bonds Payable	124,315	124,315
Series 2019 Bonds Payable	6,430	8,375
Series 2021 Bonds Payable	277,843	281,428
Unamortized Prem / (Disc). on Bonds	21,817	25,093
	<u>508,520</u>	<u>533,886</u>
 Note/ LOC Payable	 17,662	 18,139
 CURRENT LIABILITIES:		
Accounts Payable	15,173	17,923
Bond Interest Payable	9,658	12
Other Liabilities	15,958	12,877
	<u>40,789</u>	<u>30,812</u>
 Deferred Revenue - Rate Stabilization	 30,880	 22,262
Plant Decommissioning Reserve	2,685	3,886
ACCUMULATED NET REVENUES	<u>44,118</u>	<u>46,521</u>
	<u>\$ 644,654</u>	<u>\$ 655,506</u>

Statement of Net Revenues

(UNAUDITED, DOLLARS IN THOUSANDS)

	QUARTER ENDED JUNE 30		TWELVE MONTHS ENDED JUNE 30	
	2025	2024	2025	2024
OPERATING REVENUES	45,214	42,611	166,443	168,918
OPERATING EXPENSES:				
Purchase Power	13,187	10,816	44,727	36,924
Generation	11,720	10,241	43,181	51,432
Transmission	6,556	5,688	25,968	23,226
Administrative	3,329	2,991	13,096	12,023
Depreciation	6,070	6,140	23,742	24,501
Other Operating Expenses	184	167	724	670
	41,046	36,043	151,438	148,776
NET OPERATING REVENUES	4,168	6,568	15,005	20,142
OTHER REVENUES (EXPENSES):				
Other Revenue	734	615	2,642	1,872
Interest/Other Income	741	921	3,358	3,532
Net Increase (Decrease) In Fair Value of Investments	280	192	976	1,001
Other Expenses	(1,023)	(1,042)	(5,200)	(5,231)
	732	686	1,776	1,174
Interest and Debt Expense:				
Interest on Long-Term Debt	4,484	4,746	18,761	19,492
Amortization of Finance Costs	(215)	(308)	(1,058)	(1,395)
	4,269	4,438	17,703	18,097
Amount to Recover in the future	(519)	(251)	(1,481)	(277)
NET REVENUES	\$112	\$2,565	(\$2,403)	\$2,942

APPENDIX B
AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Financial Statements

Including Independent Auditors' Report

As of and for the Years Ended December 31, 2024 and 2023

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
As of and for the Years Ended December 31, 2024 and 2023

Contents

Independent Auditors' Report	1
Required Supplementary Information	
Management's Discussion and Analysis	4
Basic Financial Statements	
Statements of Net Position	10
Statements of Revenues, Expenses and Changes in Net Position	12
Statements of Cash Flows	13
Notes to Financial Statements	15
Required Supplementary Information	
Schedule of Proportionate Share of Net Pension Liability	48
Schedule of Contributions	49
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50

Independent Auditors' Report

To the Board of Directors of
Oklahoma Municipal Power Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Oklahoma Municipal Power Authority (Authority), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2024 and 2023, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 the Authority'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 opinion. 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 GAAS and *Government Auditing Standards* 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 GAAS and *Government Auditing Standards*, 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 the Authority'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 the Authority'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 supplementary 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Austin, Texas
March 31, 2025

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

Introduction

The following Management's Discussion and Analysis, or MD&A, serves as an introduction to the financial statements of the Oklahoma Municipal Power Authority (also referred to as the Authority or OMPA). It is intended to be an objective and easily understandable analysis of significant financial, operating activities and events for the fiscal year ending December 31, 2024 compared to the fiscal year ending December 31, 2023. It also provides an overview of the Authority's general financial condition and results of operations for the fiscal year ending December 31, 2023 compared to the previous fiscal year ending December 31, 2022.

Basic Financial Statements

Statement of Net Position

Assets are separated into current and non-current categories. Current assets include restricted and unrestricted cash and investments, accounts receivable, inventory, and other current assets. Non-current assets include restricted and unrestricted cash and investments, costs recoverable in future periods, net capital assets, restricted net pension asset, other non-current assets, and derivative asset.

GASB Concept Statement No. 4, *Elements of Financial Statements*, defines deferred outflows of resources as the consumption of net assets in one period that are applicable to future periods. The Authority defines accumulated decrease in fair value of hedging derivatives, unamortized loss on advance refunding of bonds, and pension related items as deferred outflows of resources in the Statement of Net Position.

Consistent with the reporting of assets on the Statement of Net Position, liabilities are segregated into current and non-current categories. Current liabilities include accounts payable, interest payable and current portion of long-term debt and notes payable, line of credit payable, current portion of derivative liabilities, lease payable, and other accrued expenses. Non-current liabilities includes long-term debt and notes payable, line of credit payable, lease payable, net pension liability, and non-current derivative liabilities.

Deferred inflows of resources are defined in GASB Concept Statement No. 4, as the acquisition of net assets that apply to future periods. The Authority defines the fair value of hedging derivatives, rate stabilization, plant decommissioning reserves, unearned revenue – FPL, and pension related items as deferred inflow of resources in the Statement of Net Position.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

Statement of Revenues, Expenses and Change in Net Position

Operating results are reported separately from non-operating results. Non-operating results relate primarily to financing and investing activities. These statements identify operating revenues from sales to cities (system) and energy market sales (off-system). Operating expenses are presented by major cost category. Revenues remaining are available to service debt, finance capital activities, and to cover contingencies.

Statement of Cash Flows

The Statement of Cash Flows presents cash flows from operating activities, capital and related financing activities, non-capital financing activities, and investing activities. These statements are prepared using the direct method, which reports gross cash receipts and payments, and presents a reconciliation of operating income to net cash provided by operating activities.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

Assets and Deferred Outflows of Resources

	2024	2023	2022
Utility plant, net	\$ 356,448,377	\$ 358,956,922	\$ 378,459,178
Non-current assets	235,576,459	260,292,674	259,545,507
Current assets	<u>74,254,199</u>	<u>72,206,892</u>	<u>77,191,886</u>
Total assets	<u>666,279,035</u>	<u>691,456,488</u>	<u>715,196,571</u>
Deferred outflows of resources	20,305,652	24,990,372	28,248,104
Total assets and deferred outflows of resources	<u>\$ 686,584,687</u>	<u>\$ 716,446,860</u>	<u>\$ 743,444,675</u>

Liabilities, Deferred Inflows of Resources and Net Position

Long-term debt, net	\$ 522,110,221	\$ 551,284,260	\$ 579,718,426
Current portion of long-term debt	25,667,675	24,440,165	29,209,118
Other current liabilities	36,582,017	36,523,485	38,097,241
Other non-current liabilities	<u>7,949,811</u>	<u>9,622,942</u>	<u>10,618,302</u>
Total liabilities	<u>592,309,724</u>	<u>621,870,852</u>	<u>657,643,087</u>
Deferred inflows of resources	49,594,327	50,166,097	43,765,070
Net position			
Net investment in capital assets	(13,282,988)	(26,006,233)	(18,542,804)
Restricted	23,303,734	21,305,962	26,482,253
Unrestricted	<u>34,659,890</u>	<u>49,110,182</u>	<u>34,097,069</u>
Total net position	<u>44,680,636</u>	<u>44,409,911</u>	<u>42,036,518</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 686,584,687</u>	<u>\$ 716,446,860</u>	<u>\$ 743,444,675</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

**Revenues, Expenses and Changes in
Net Position**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating revenues			
System	\$ 147,718,860	\$ 160,857,099	\$ 212,335,069
Off-system	23,691,593	21,867,844	8,290,184
Non-operating revenues			
Investment income	4,312,073	3,890,178	2,226,723
Other revenue	4,699,500	4,526,448	6,226,932
Net revenues (costs) recoverable	<u>(944,392)</u>	<u>14,879</u>	<u>(5,009,528)</u>
Total revenues	<u>179,477,634</u>	<u>191,156,448</u>	<u>224,069,380</u>
Operating expenses	159,968,802	169,109,352	198,606,747
Non-operating expenses			
Interest expense, net	20,447,631	21,673,907	23,156,177
Amortization	(1,243,309)	(1,551,769)	(1,860,604)
(Increase)/decrease in fair value of investments	<u>33,785</u>	<u>(448,435)</u>	<u>3,925,889</u>
Total expenses	<u>179,206,909</u>	<u>188,783,055</u>	<u>223,828,209</u>
Net increase in net position	<u>\$ 270,725</u>	<u>\$ 2,373,393</u>	<u>\$ 241,171</u>

Financial Highlights

Peak demand decreased slightly in 2024 with coincident system peak demand of 764 MW compared to 771 MW in 2023. Metered energy increased slightly to 2,889 GWH compared to 2,877 GWH in 2023. The Authority supplied energy also increased in 2024 to 2,622 GWH compared to 2,561 GWH in 2023. The difference between metered energy and energy supplied by the Authority is the result of 17 cities with Southwest Power Administration (SWPA) hydro-power allocations. Year to date average charges per KWH to full requirements cities decreased by 7.6% in 2024 to an average of 5.71 cents per KWH from 6.18 cents per KWH in 2023. The decrease in peak demand by member cities was due to a slightly milder summer in 2024 compared to 2023. The increase in billed energy was due to SWPA cities receiving less energy from SWPA due to drought conditions over the SWPA footprint of dams. The decrease in cents per KWH in 2024 was due to lower natural gas prices and market energy prices compared to 2023.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

Peak demand decreased slightly in 2023 with co-incident system peak demand of 771 MW compared to 787 MW in 2022. Metered energy decreased to 2,877 GWH compared to 3,032 GWH in 2022. Authority supplied energy also decreased in 2023 to 2,561 GWH compared to 2,681 GWH in 2022. The difference between metered energy and energy supplied by the Authority is the result of 18 cities with Southwest Power Administration (SWPA) hydro-power allocations. Year to date average charges per KWH to full requirements cities decreased by 22% in 2023 to an average of 6.18 cents per KWH from 7.92 cents per KWH in 2022. The decrease in peak demand and energy use by member cities was due to a slightly milder summer in 2023 compared to 2022. The significant decrease in cents per KWH in 2023 was due to much lower natural gas prices and market energy prices compared to 2022.

Net costs recoverable in future years represent the amount by which depreciation/amortization either exceeds or is less than principal repayment on debt. The Authority sets rates to cities on a cash basis utilizing essentially level debt service, and the deferred costs allow the Authority to convert from cash-based rates to accrual accounting. Net costs recoverable in the future also includes pension costs, cost recoveries for winter storm Uri and plant decommissioning. The change in net costs recoverable in the future resulted in a decrease to net position of \$944,392 in 2024, an increase of net position of \$14,879 in 2023, and a decrease to net position of \$5,099,528 in 2022.

Utility Plant and Debt Administration

Utility Plant

Net utility plant decreased \$2,508,000 and \$19,502,000 in 2024 and 2023, respectively. At December 31, 2024, generation plant in service totaled \$297 million, net of depreciation. Electric plant consisted of ownership in 42 megawatts of undivided ownership in the Turk plant in Arkansas, 110 megawatts of the undivided ownership in the McClain plant, 156 megawatts of undivided ownership in the Redbud plant, plus 240 megawatts of generating plant owned and operated by the Authority in Oklahoma.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Management's Discussion and Analysis
December 31, 2024 and 2023
(Unaudited)

The Authority also has \$21.5 million of general plant, net of depreciation, consisting of substation facilities, a small amount of transmission lines, the OMPA headquarters building, and two field services buildings.

Debt Administration

Revenue bonds outstanding at year end 2024 were \$509 million, including the current portion of debt paid January 2, 2025. This amount excludes the FPL Wind Energy note of approximately \$16 million that is secured by revenues from FPL Oklahoma Wind, LLC. The revenue bonds outstanding in 2023 and 2022 were \$530 million and \$556 million, respectively. The current portion of revenue bonds payable at year end 2024, in the amount of \$22 million, was paid in January 2025.

Contacting the Authority's Financial Management

Questions about this report or requests for additional financial information can be directed to:

OMPA
Manager of Accounting Services
P.O. Box 1960
Edmond, Oklahoma 73083-1960

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Statements of Net Position

As of and for the Years Ended December 31, 2024 and 2023

Assets and Deferred Outflows of Resources

	<u>2024</u>	<u>2023</u>
Utility Plant, at Cost		
Utility plant in service	\$ 653,518,943	\$ 648,602,686
Less Accumulated Depreciation	<u>335,027,654</u>	<u>319,703,203</u>
	318,491,289	328,899,483
Construction in progress	14,541,158	2,880,203
Intangible plant assets, net	376,583	550,673
Leased assets, net	7,388,392	7,600,443
FPL assets, net	<u>15,650,955</u>	<u>19,026,120</u>
Total utility plant, at cost	<u>356,448,377</u>	<u>358,956,922</u>
Non-current Restricted Cash and Cash Equivalents	<u>13,863,985</u>	<u>12,177,716</u>
Non-current Restricted Investments	<u>10,590,470</u>	<u>16,136,280</u>
Non-current Investments	<u>46,491,580</u>	<u>52,988,598</u>
Other Assets		
Restricted net pension asset	1,008,491	-
Net cost recoverable in future years	149,996,021	157,647,913
Receivable - FPL	13,550,197	18,066,929
Other non-current assets	75,715	3,266,718
Non-current derivative asset	<u>-</u>	<u>8,520</u>
Total other assets	164,630,424	178,990,080
Total non-current assets	592,024,836	619,249,596
Current Assets		
Cash and cash equivalents	11,045,985	10,190,593
Investments	9,874,929	6,924,418
Interest receivable	619,416	458,525
Accounts receivable	11,957,513	14,336,141
Inventory	1,706,600	1,737,511
Other current assets	1,938,525	2,044,563
Current derivative asset	111,787	-
Receivable - FPL	4,516,732	4,516,732
Restricted cash and cash equivalents	32,281,659	31,772,659
Restricted interest receivable	<u>201,053</u>	<u>225,750</u>
Total Current Assets	74,254,199	72,206,892
Total Assets	<u>666,279,035</u>	<u>691,456,488</u>
Deferred Outflows of Resources		
Accumulated decrease in fair value of derivatives	-	1,539,514
Amounts related to pensions	717,056	1,877,750
Unamortized loss on advance refunding of bonds	<u>19,588,596</u>	<u>21,573,108</u>
Total assets and deferred outflows of resources	<u>\$ 686,584,687</u>	<u>\$ 716,446,860</u>

Liabilities, Deferred Inflows of Resources and Net Position

	2024	2023
Long-term Liabilities		
Revenue bonds payable	\$ 486,703,000	\$ 508,793,000
Less unamortized net premium/(discount)	23,333,941	26,840,305
Total debt, net of premium	510,036,941	535,633,305
Lease liability	7,149,811	7,388,392
Line of credit	800,000	800,000
Note payable - FPL	12,073,280	15,650,955
Net pension liability	-	1,434,550
Total long-term liabilities	530,060,032	560,907,202
Current Liabilities		
Accounts payable	12,275,051	12,839,048
Accrued expenses	13,880,914	11,231,905
Interest payable	10,187,471	10,692,447
Current portion of long-term debt	22,090,000	21,065,000
Current portion of lease liability	238,581	212,051
Current portion of note payable	3,577,675	3,375,165
Current derivative liability	-	1,548,034
Total current liabilities	62,249,692	60,963,650
Total liabilities	592,309,724	621,870,852
Deferred Inflows of Resources		
Amounts related to pensions	593,255	21,701
Accumulated increase in fair value of derivatives	111,787	-
Unearned revenue - FPL	18,066,928	22,583,661
Plant decommissioning reserves	2,060,639	3,260,735
Unearned revenue- rate stabilization	28,761,718	24,300,000
Net Position		
Net investment in capital assets	(13,282,988)	(26,006,233)
Restricted:		
Expendable for debt service	22,295,243	21,305,962
Net pension asset	1,008,491	-
Unrestricted	34,659,890	49,110,182
Total net position	44,680,636	44,409,911
Total liabilities, deferred inflow of resources, and net position	\$ 686,584,687	\$ 716,446,860

Oklahoma Municipal Power Authority
A component Unit of the State of Oklahoma
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2024 and 2023

	2024	2023
Operating Revenues		
System	\$ 147,718,860	\$ 160,857,099
Off-system	23,691,593	21,867,844
Total operating revenues	171,410,453	182,724,943
Operating Expense		
Purchased power	40,431,181	39,491,963
Generation	48,428,504	60,400,035
Transmission	24,737,344	23,116,957
Other operating expenses	12,410,106	12,209,592
Amortization of regulatory assets	6,428,959	6,161,577
Depreciation and amortization	27,532,708	27,729,228
Total operating expenses	159,968,802	169,109,352
Operating Income	11,441,651	13,615,591
Non-operating Revenues (Expenses)		
Interest income	4,312,073	3,890,178
Net increase/(decrease) in fair value of investments	(33,785)	448,435
Other non-operating income	182,768	9,716
FPL asset revenue	4,516,732	4,516,732
	8,977,788	8,865,061
Interest and Debt Expense		
Interest expense - revenue bonds	(20,480,356)	(21,495,740)
Build America Bond subsidy proceeds	1,492,845	1,488,610
Interest expense - leases	(318,553)	(334,163)
Interest expense - FPL assets	(1,141,567)	(1,332,614)
Amortization of loss on bond refunding, discount and bond issue costs	1,243,309	1,551,769
	(19,204,322)	(20,122,138)
Net non-operating expense	(10,226,534)	(11,257,077)
Net Deferred Revenue (Cost) Recoverable in Future Years	(944,392)	14,879
Increase in net position	270,725	2,373,393
Net Position, Beginning of Year	44,409,911	42,036,518
Net Position, End of Year	\$ 44,680,636	\$ 44,409,911

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Cash received from customers	\$ 177,050,703	\$ 196,930,810
Cash paid to suppliers	(109,802,747)	(127,430,730)
Cash paid to employees	(12,594,404)	(10,923,563)
Net cash provided by/(used in) operating activities	54,653,552	58,576,517
Cash Flows from Capital and Related Financing Activities		
Capital expenditures for utility plant	(24,210,317)	(7,775,941)
Interest paid on long-term debt	(20,985,333)	(22,028,880)
BAB subsidies received	1,492,845	1,488,610
Principal payments on long-term debt	(21,065,000)	(26,025,000)
Principal paid on leases	(212,051)	(186,041)
Interest paid on leases	(318,553)	(334,163)
Other proceeds	182,768	9,716
Net cash provided by/(used in) capital and related financing activities	(65,115,641)	(54,851,699)
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	26,196,219	20,065,001
Purchases of investments	(17,137,685)	(29,763,951)
Loan receivable receipts	278,338	285,644
Income received on investments	4,175,878	3,826,631
Net cash provided by/(used in) capital and related investing activities	13,512,750	(5,586,675)
Increase/(Decrease) in Cash and Cash Equivalents	3,050,661	(1,861,857)
Cash and Cash Equivalents, Beginning of Year	54,140,968	56,002,825
Cash and Cash Equivalents, End of Year	<u>\$ 57,191,629</u>	<u>\$ 54,140,968</u>
Consisting of		
Cash and cash equivalents	\$ 11,045,985	\$ 10,190,593
Restricted cash and cash equivalents	46,145,644	43,950,375
Total cash and cash equivalents	<u>\$ 57,191,629</u>	<u>\$ 54,140,968</u>

	2024	2023
Noncash Items from Investing and Capital and Related Financing Activities		
Change in fair value of investments	\$ <u>(33,785)</u>	\$ <u>448,435</u>
Discount accretion/premium amortization on investments	\$ <u>(671,189)</u>	\$ <u>(836,158)</u>
Reduction of note payable and interest expense - FPL	\$ <u>4,516,732</u>	\$ <u>4,516,732</u>
Capital expenditures for utility plant included in accounts payable	\$ <u>449,655</u>	\$ <u>(677,813)</u>

	2024	2023
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	\$ 11,441,651	\$ 13,615,591
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	27,532,708	27,729,228
Amortization of regulatory assets	6,428,959	6,161,577
Unearned revenues – rate stabilization/decommissioning fund	3,261,622	11,021,845
Changes in assets and liabilities which provided/(used) cash		
Accounts receivable	2,378,628	3,184,022
Inventory	30,911	90,412
Net costs recoverable and other assets	1,943,715	(3,141,960)
Accounts payable and accrued expenses	<u>1,635,358</u>	<u>(84,198)</u>
Net cash provided by (used in) operating activities	\$ <u>54,653,552</u>	\$ <u>58,576,517</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Oklahoma Municipal Power Authority (the Authority) is a governmental agency of the state of Oklahoma created in 1981 pursuant to the Oklahoma Municipal Power Authority Act to provide a means of municipal electric systems in Oklahoma to jointly plan, finance, acquire and operate electrical power supply facilities necessary to meet the electrical energy requirements of their consumers. As an agency of the State of Oklahoma (the State), the Authority is subject to the State of Oklahoma Council of Bond Oversight, and is bound by various state statutes related to units of the State. The Authority's employees are eligible to participate in the State retirement plan. The Authority is a discretely presented component unit in the financial statements of the State of Oklahoma.

On July 1, 1985, the Authority began selling electric power to its participating municipalities under Power Sales Contracts. The Power Sales Contracts have a primary term through December 31, 2027. In 2005, Amendment No. 1 to the Power Sales Contract was executed by the Authority and all members. Amendment No. 1 provides for a rolling 15-year notice of termination of the Power Sales Contract by either the Authority or the participating municipalities commencing in 2013. No participating municipality has given a notice of termination and neither has the Authority. Under the Power Sales Contract, either the participating municipality or the Authority may limit the power and energy to be purchased or provided. The Authority has not elected to limit its obligation to provide power and energy under the Power Sales Contracts, nor have any of the participating municipalities elected to limit their obligation to purchase full requirements power from the Authority.

The Authority has a 100% ownership interest in a 64 megawatts (MW) gas fired combined cycle generating facility, a 42 MW simple cycle gas fired generating facility, a 104 MW simple cycle gas fired generating facility, and a 29 MW hydroelectric generating facility. All of these facilities are located in or near Ponca City, Oklahoma.

The Authority also has joint ownership of 23%, 13%, and 6.67%, in three other generating facilities, having total generating capacities of 478 MW, 1,200 MW, and 650MW, respectively. All of the joint ownership facilities are operated by other entities. The Authority has also entered into certain power purchase and transmission arrangements in order to supplement generating capacity owned by the Authority and to provide for the transmission of the Authority's power and energy to the participating municipalities.

The Authority bills members and other power purchasers monthly for power used. The terms generally require payment within 20 days of the billing date. The Authority does not require participants to collateralize the obligation related to power billed.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, deferred inflows and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

System of Accounts and Basis of Accounting

The Authority's accounts are maintained in accordance with the Uniform System of Accounts of the Federal Energy Regulatory Commission, as required by the Power Sales Contracts with the participating municipalities, and in conformity with accounting principles generally accepted in the United States of America using the accrual basis of accounting, including the application of regulatory accounting as described in Governmental Accounting Standards Board (GASB) Statement No. 62 - *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

This standard was implemented January 1, 2024. The prior year impact of the standard was not considered material to the financial statements, therefore the prior year balances were not adjusted for the change.

The Authority considers electric revenues and costs that are directly related to the generation, purchase, transmission and distribution of electricity to be operating revenues and expenses. Revenues and expenses related to financing and other activities are reflected as non-operating.

Utility Plant and Depreciation

Utility plant is recorded at cost. Depreciation of generating facilities in which the Authority holds an undivided ownership interest is calculated on a straight-line basis using a group-composite method over the expected services' lives, which range from 20 to 45 years. Depreciation of other utility plant, including lease right-of-use assets, is calculated on a straight-line basis using the estimated useful lives of the depreciable property, which range from three to 10 years. Intangible assets are amortized using the straight-line method over a period of 5 to 40 years. A half year convention is generally used for all assets when placed in service, except in instances where specific assumptions have been made for rate making purposes.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Retirements together with removal costs, less salvage value, are charged to accumulated depreciation based upon average unit cost.

The cost of major replacements of property is capitalized to utility plant accounts. The cost of maintenance, repairs and replacements of minor items of property is expensed as incurred.

Cash Equivalents

For the purpose of the statement of cash flow, cash and cash equivalents have original maturities of three months or less from the date of acquisition. The Authority considers investments in government security money market funds to be cash equivalents.

Investments and Investment Income

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. No Investments are reported at amortized cost. Investment income and net increase or decrease in fair value of investments are presented in the Statement of Revenues, Expenses and Changes in Net Position.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

Other Current Assets

Other current assets consists primarily of the current portion of loans receivable and prepaid insurance, which will be recognized within 12 months. Other current assets total \$1,938,525 and \$2,044,563 at December 31, 2024 and 2023, respectively

Accounts Receivable

Accounts receivable are stated at the amount billed plus any accrued and unpaid interest. Accounts receivable are ordinarily due 20 days from the billing date. Accounts that are unpaid after the due date bear interest at a local bank's prime rate per month. The Authority does not consider an allowance for uncollectible accounts necessary. Its customers are municipalities and historically receivables have been collectible.

Inventory Pricing

Inventory consists of fuel stock and is stated at weighted average cost.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Letter of Credit

The Authority holds transmission credit rights, which are financial obligations, issued by Southwest Power Pool (SPP) designed to mitigate variability in transmission costs by equalizing the difference in two locational marginal pricing points along the electric grid through a payment. SPP requires the posting of collateral to secure these obligations. The Authority has secured a letter of credit in the amount of \$5 million from the Bank of Oklahoma to satisfy this collateral requirement. At December 31, 2024, the collateral requirement with SPP was \$148,454. At December 31, 2023, the collateral requirement with SPP was \$124,870.

Net Costs Recoverable in Future Years

The Authority sets rates on a cash basis utilizing regulatory accounting to convert accrual accounting to match these rates. The Power Sales Contracts with the participating municipalities provide for billings to those municipalities for output and services of the generating facilities, for payment of current operating and maintenance expenses (excluding depreciation and amortization), for payment of scheduled debt principal and interest, and for deposits in certain funds, all in compliance with the bond resolutions. Annual budgets and changes in power rates are approved by the Authority's Board of Directors. Net deferred costs recoverable in future years includes the net amount of depreciation/amortization of bond discount, premium, issuance cost, loss on refunding and other costs approved by the Authority's Board of Directors. Net deferred cost associated with depreciation and debt amortization will become a reduction in net income at such future time as the principal repayment exceeds depreciation and amortization. During 2024 and 2023, billings to participating municipalities under Power Sales Contracts were \$152,142,846 and \$162,756,140, respectively.

Other regulatory accounting deferrals include pension costs, decommissioning costs and winter storm Uri costs. In 2014, with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the Authority elected to defer the difference between pension expense and cash retirement contributions to match the cash basis rates. In 2018, the Authority's Board approved a deferral of \$11.5 million of costs associated with the decommissioning of recently retired plants as a regulatory asset and in 2023 began to amortize over twenty-four years as these costs are collected in rates.

In February 2021, winter storm Uri caused extreme cold in the central United States, which caused natural gas and electricity prices in energy markets to spike to unprecedented levels. The cost to the Authority of this one-week event was calculated to be approximately \$65 million. The Authority issued the 2021 Series Revenue bonds, and used approximately \$60 million to pay for the costs of Uri. A regulatory asset has been created to account for the cost of \$59 million after the rate stabilization funds were applied. The amortization of the regulatory asset mirrors the debt service on the bond repayments.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

The Grand River Dam Authority (GRDA) is one of the Authority's power and energy suppliers through a purchase power agreement. GRDA was also severely affected by winter storm Uri. GRDA is collecting the winter storm cost from their customers, of which the Authority's share was approximately \$4 million. The Authority has agreed to pay, and subsequently paid, GRDA over a 12-month period beginning in November 2021 and ending in October 2022. The cost was added to the Authority's revenue requirement and collected from participants over a 7-year period and is included in the winter storm Uri costs.

The ending balance of net costs recoverable in future periods consist of the following at December 31:

	2024	2023
Net costs recoverable in future years		
Net amount of depreciation/amortization	\$ 91,861,585	\$ 92,805,976
Pension costs	(1,132,292)	(421,999)
Winter Storm Uri costs	43,885,598	48,633,516
Decommissioning and other plant costs	12,869,158	13,839,405
Bond issuance costs	<u>2,511,972</u>	<u>2,790,515</u>
Total net costs recoverable in future years	\$ <u>149,996,021</u>	\$ <u>157,647,913</u>

Amortization of net costs recoverable in the future were as follows:

	2024	2023
Operating:		
Pension costs	\$ 710,793	\$ 81,884
Winter Storm Uri costs	4,747,918	5,062,616
Decommissioning and other plant costs	970,248	1,017,077
Non-Operating:		
Net amount of depreciation/amortization	944,392	(14,879)
Bond issuance costs	<u>278,543</u>	<u>365,973</u>
Total amortization	\$ <u>7,651,894</u>	\$ <u>6,512,671</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Loans Receivables

The Authority has established a policy whereby customers can borrow funds to finance improvements to their municipal electric systems. All lending is approved by the Authority's Board and is generally limited to 30% of the customers previous 12-month billing from the Authority. The loans are classified as other assets on the Authority's balance sheet. The current portion of loans receivables from cities totaled \$103,582 and \$278,234 at December 31, 2024 and 2023, respectively. Non-current portion of loans receivables from cities totaled \$75,715 and \$179,402 at December 31, 2024 and 2023, respectively.

Other Non-current assets

Other non-current assets consists primarily of the long-term portion of loans receivable and long-term service agreements. Other non-current assets total \$75,715 and \$3,266,718 at December 31, 2024 and 2023, respectively.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time.

Unamortized Loss on Advance Refundings of Bonds

Deferred charge on bond refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt using the effective interest method.

Derivative Financial Instruments

The Authority has implemented GASB Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments* (Statement 53). Statement 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments.

The Authority uses commodity price swap contracts (Note 9) to hedge the effects of fluctuations in the prices for natural gas during the Authority's peak sales periods. The contracts require the Authority to pay a fixed price for natural gas and receive a variable price based upon common indices. These transactions meet the requirements of Statement No. 53. Realized gains and losses on commodity swap contracts are recorded as either a reduction of or addition to fuel cost.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Public Employees Retirement System (OPERS) and additions to/deductions from OPERS fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

Accrued Expenses

Accrued expenses consist of wages, compensated absences and reserve and contingency liabilities.

Compensated Absences

Under terms of employment, employees are granted vacation and sick leave in varying amounts based on years of service. Vested vacation leave is accrued in the financial statements. The liability for sick leave is based on a five-year rolling average of usage. The total liability is liquidated from general operating revenue of the Authority

Long-Term Obligations

Long-term debt and other obligations are reported as Authority liabilities. Bond premiums and discounts are amortized over the life of the bonds using the effective-interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The balance at year end for premiums and discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for the loss on refunding is shown as a deferred outflow in the statement of net position.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Unearned Revenues – Rate Stabilization

The Authority designs its electric service rates to recover costs, as defined above, of providing power supply services. In order to minimize possible future rate increases, each year the Authority determines a rate stabilization amount to be charged or credited to revenues. There was a net rate stabilization contribution recognized in off-system revenues of \$4,461,718 and \$7,761,000 in 2024 and 2023, respectively. These amounts are reflected as increases or decreases in unearned revenues – rate stabilization in the accompanying statements of net position. Rate stabilization deferrals or withdrawals are approved by the Board of Directors.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Unearned Revenues – Plant Decommissioning

In 2018, the Authority's Board began funding a plant decommissioning reserve through system revenues in anticipation of decommission costs for recently retired plants (see note 13). The Authority has incurred total decommission costs of \$20,151,495 and \$17,701,399, as of December 31, 2024 and 2023, respectively. The Authority's Board has approved a deferral of \$11.5 million of these costs as a regulatory asset and in 2023 began to amortize over twenty-four years (see regulatory assets). In 2023, the Authority's Board approved an annual transfer of system revenues of \$1,250,000 for 10 years as well as an additional one-time transfer of \$3.5 million. \$2,450,096 and \$6,201,399 of unearned revenues and decommissioning costs were recognized in system revenues and generation expense, in 2024 and 2023, The Authority has a balance of \$2,060,639 and \$3,260,735 in the plant decommissioning reserves at December 31 2024 and 2023, respectively.

FPL Receivable/Unearned Revenue

The Authority entered into a financed sale agreement for the construction and installation of a wind project. The Authority issued a taxable limited obligation note in the amount of \$57,739,000, which represented the cost of construction and the sale price of the assets to FPL. The FPL assets, net of depreciation, and the note receivable are recorded in the Authority's Balance Sheet. The note is payable solely from payments made by FPLE Oklahoma with no recourse to the Authority (Note 4). Future note payments are recognized as a receivable, and totaled \$18,066,928, and \$22,583,661 at December 31, 2024 and 2023, respectively. Current portion of the receivables totaled \$4,516,732 at December 31, 2024 and 2023, respectively. Future note payments will be recognized as revenue in the period received.

Net Position

Net position of the Authority is classified in three components. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted assets are non-capital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the Authority, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted assets are remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted assets. When both restricted and unrestricted resources are available for use for the same purpose, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Risk Management

The Authority manages its risks through coverages provided by private insurers for workers' compensation, employee dishonesty and boiler/machinery and other property risks by the State of Oklahoma's Risk Management Administration for automobile and tort liabilities. Settled claims have not exceeded reserves in the last three years. There were no significant reductions in coverage compared to prior year.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Income Taxes

The Authority is exempt from Federal income taxes, as it is a political subdivision of the State. The Authority is exempt from Oklahoma state income taxes as provided under the Municipal Power Authority Act.

Major Customers

The Authority currently serves 42 municipalities in Oklahoma and two partial requirements customers. Four members represent at least 5% of total revenues and accounted for approximately 65% and 64% of the Authority's operating revenues (two of which accounted for 51% and 51% of the Authority's operating revenues) for the years ended December 31, 2024 and 2023, respectively.

Effect of New Accounting Standards on Current Period Financial Statements

GASB has approved GASB Statement No. 102, *Certain Risk Disclosures*, GASB Statement No. 103 – *Financial Reporting Model Improvements*, and GASB Statement No. 104 – *Disclosure of Certain Capital Assets*. When they become effective, application of these standards may restate portions of these financial statements.

Comparative Data

Certain amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Note 2: Deposits, Investments and Investment Income

Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the Statements of Net Position as follows:

	<u>2024</u>	<u>2023</u>
Carrying value		
Deposits	\$ 88,874	\$ 544,318
Investments	<u>124,059,734</u>	<u>129,645,946</u>
	<u><u>\$ 124,148,608</u></u>	<u><u>\$ 130,190,264</u></u>

Included in the following Statements of Net Position captions:

Cash and cash equivalents	\$ 11,045,985	\$ 10,190,593
Investments – current	9,874,929	6,924,418
Non-current investments	46,491,580	52,988,598
Restricted cash and cash equivalents	32,281,659	31,772,659
Non-current restricted cash and cash equivalents	13,863,985	12,177,716
Non-current restricted investments	<u>10,590,470</u>	<u>16,136,280</u>
	<u><u>\$ 124,148,608</u></u>	<u><u>\$ 130,190,264</u></u>

The Authority further classifies these deposits and investments as follows:

Operating and maintenance funds	\$ 36,590,139	\$ 42,542,873
Rate stabilization funds	28,761,718	24,300,000
Decommissioning funds	2,060,639	3,260,735
Debt service funds	32,281,659	31,772,659
Debt service reserve funds	21,417,627	20,462,111
Construction funds	<u>3,036,826</u>	<u>7,851,886</u>
	<u><u>\$ 124,148,608</u></u>	<u><u>\$ 130,190,264</u></u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Authority's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and city, county, school district or special road district of the State; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

The Authority had bank balances of \$1,623,030 and \$1,591,567 at December 31, 2024 and 2023, respectively. \$373,030 and \$341,567 of these balances were exposed to custodial risk at December 31, 2024 and 2023, respectively.

The Authority has collateral in the form of an irrevocable letter of credit with FHLBank of Topeka of \$1 million as of December 31, 2024 and 2023, respectively. The outstanding amount drawn on the letter of credit was \$0 at December 31, 2024 and 2023.

Investments

The management of investments is under the custody of the Authority's management. Investing is performed in accordance with the formally adopted investment policies of the Authority. The funds may be invested in (1) direct obligations of the United States government of which the full faith and credit of the United States government is pledged; (2) certificates of deposit at savings and loan associations and banks, which are federally insured or when the funds are secured by acceptable collateral; (3) savings accounts at savings and loan associations and banks, to the extent they are fully federally insured; (4) any bonds or other obligations guaranteed by any agency or corporation that has been created pursuant to an Act of Congress as an agency or instrumentality of the United States of America; (5) bonds, notes or other evidences of the indebtedness issued or guaranteed by any corporation which are, at the time of purchase, rated by two nationally recognized rating agencies in their highest rating category; (6) repurchase agreements secured by 1 or 4 above provided collateral is kept safe by a representative of the Authority; and (7) interests in portfolios of money market instruments containing obligations described above. Any un-invested funds shall be deposited in a bank or banks within Oklahoma that are approved and designated by the Board of Directors of the Authority. The management of investments in the bond funds is performed in accordance with applicable bond indentures.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined below. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Fair values may have changed significantly after year end.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

At December 31, 2024 and 2023, the Authority had the following investments and maturities:

December 31, 2024					
Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. agencies obligations	\$ 10,590,470	\$ 2,964,810	\$ 7,625,660	\$ —	\$ —
Municipal bonds	56,366,508	9,730,098	29,345,604	4,286,263	13,004,543
Money market funds	<u>57,102,756</u>	<u>57,102,756</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>\$ 124,059,734</u>	<u>\$ 69,797,664</u>	<u>\$ 36,971,264</u>	<u>\$ 4,286,263</u>	<u>\$ 13,004,543</u>
December 31, 2023					
Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
U.S. agencies obligations	\$ 16,136,280	\$ 5,900,080	\$ 10,236,200	\$ —	\$ —
Municipal bonds	59,913,016	6,924,418	14,393,598	3,165,000	35,430,000
Money market funds	<u>53,596,650</u>	<u>53,596,650</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>\$ 129,645,946</u>	<u>\$ 66,421,148</u>	<u>\$ 24,629,798</u>	<u>\$ 3,165,000</u>	<u>\$ 35,430,000</u>

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority’s investment policy limits investments of operating and maintenance funds with a term beyond five years to a total of \$11 million, with \$4 million of this amount invested at 10 years or less. The debt service reserve accounts may be invested beyond 10 years provided the yield is adequate. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately. Although the Authority holds investments with maturity in excess of 10 years that exceed the policy limit, the investments are callable on short notice therefore fall within the investment policy. The Authority was in compliance with this policy at December 31, 2024 and 2023.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The various bond indentures limit the types of investments the Authority may invest in and the related credit risk of those investments. At December 31, 2024 and 2023, the Authority’s investments in U.S. agencies obligations not directly guaranteed by the U.S. government, municipal bonds and money market mutual funds were rated as follows:

Investment	Moody’s	S&P	Fitches
U.S. agency securities not directly guaranteed by the U.S. government	Aaa	AA+	AAA
Municipal bonds	AAA/AA	AAA/AA	AAA/AA
Money Market Funds	Aaamf	AAAm	AAAmmf

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the Authority’s investments at December 31, 2024 and 2023 are held by the counterparties in the Authority’s name.

Concentration of Credit Risk – The Authority places no limit on the amount that may be invested in any one issuer. December 31, 2023, the Authority’s investment in agency obligations of Federal Home Loan Bank, E Baton Rouge Indl-A Revenue bonds, and Iowa St. Finance Authority Revenue Bonds constituted 12.45%, 9.05%, 5.43%, respectively, of its total investments fair value. At December 31, 2024, the Authority’s investment in agency obligations of Federal Home Loan Bank, constitutes 9.18% of its total investments fair value.

Fair Value

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

The valuation methods for fair value measurement for 2024 are as follows:

Investment	Level 1	Level 2	Level 3
U.S. agency securities	\$10,590,470	---	---
Municipal bonds	---	56,366,508	---
Money market funds	57,102,756	---	---
Natural gas hedges	111,787	---	---

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

The valuation methods for fair value measurement for 2023 are as follows:

Investment	Level 1	Level 2	Level 3
U.S. agency securities	\$16,136,280	---	---
Municipal bonds	---	59,913,016	---
Money market funds	53,596,650	---	---
Natural gas hedges	(1,539,514)	---	---

U.S. agency securities, U.S. treasury bonds and municipal bonds are valued using matrix pricing techniques and gas swaps and money market funds are valued with quoted market prices.

Note 3: Electric Utility Plant

Electric utility plant assets activity for the years ended December 31, 2024 and 2023, were:

		2024			
		January 1	Additions	Retirements	December 31
Non-depreciable plant					
Construction work in progress	\$	<u>2,880,203</u>	<u>11,860,880</u>	<u>(199,925)</u>	<u>14,541,158</u>
Depreciable plant					
General plant		43,116,634	1,814,329	(147,243)	44,783,720
Generation plant		605,486,047	11,249,002	(7,999,826)	608,735,223
Intangible assets		8,853,097	299,881	—	9,152,978
Leased assets		8,082,566	—	—	8,082,566
FPL assets		<u>57,739,000</u>	<u>—</u>	<u>—</u>	<u>57,739,000</u>
Total depreciable plant		<u>723,277,344</u>	<u>13,363,212</u>	<u>(8,147,069)</u>	<u>728,493,487</u>
Total electric utility plant		<u>726,157,547</u>	<u>25,224,092</u>	<u>(8,346,994)</u>	<u>743,034,645</u>
Less accumulated depreciation for					
General plant		(21,582,939)	(1,849,305)	147,243	(23,285,001)
Generation plant		(298,120,259)	(21,622,220)	7,999,826	(311,742,653)
Intangible assets		(8,302,424)	(473,971)	—	(8,776,395)
Leased assets		(482,123)	(212,051)	—	(694,174)
FPL assets		<u>(38,712,880)</u>	<u>(3,375,165)</u>	<u>—</u>	<u>(42,088,045)</u>
Total accumulated depreciation		<u>(367,200,625)</u>	<u>(27,532,712)</u>	<u>8,147,069</u>	<u>(386,586,268)</u>
Electric utility plant, net	\$	<u>358,956,922</u>	<u>(2,308,620)</u>	<u>(199,925)</u>	<u>356,448,377</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

	2023			
	January 1	Additions	Retirements	December 31
Non-depreciable plant				
Construction work in progress	\$ <u>1,687,022</u>	\$ <u>1,985,200</u>	\$ <u>(792,019)</u>	\$ <u>2,880,203</u>
Depreciable plant				
General plant	41,496,812	1,619,822	—	43,116,634
Generation plant	620,091,865	5,116,699	(19,722,517)	605,486,047
Fuel reserves, net	3,778	—	(3,778)	—
Intangible assets	8,552,047	301,050	—	8,853,097
Leased assets	8,082,566	—	—	8,082,566
FPL assets	<u>57,739,000</u>	<u>—</u>	<u>—</u>	<u>57,739,000</u>
Total depreciable plant	<u>735,966,068</u>	<u>7,037,571</u>	<u>(19,726,295)</u>	<u>723,277,344</u>
Total electric utility plant	<u>737,653,090</u>	<u>9,022,771</u>	<u>(20,518,314)</u>	<u>726,157,547</u>
Less accumulated depreciation for				
General plant	(19,820,036)	(1,762,903)	—	(21,582,939)
Generation plant	(296,375,453)	(21,467,322)	19,722,516	(298,120,259)
Intangible assets	(7,173,579)	(1,128,845)	—	(8,302,424)
Leased assets	(296,082)	(186,041)	—	(482,123)
FPL assets	<u>(35,528,762)</u>	<u>(3,184,118)</u>	<u>—</u>	<u>(38,712,880)</u>
Total accumulated depreciation	<u>(359,193,912)</u>	<u>(27,729,229)</u>	<u>19,722,516</u>	<u>(367,200,625)</u>
Electric utility plant, net	\$ <u>378,459,178</u>	\$ <u>(18,706,458)</u>	\$ <u>(795,798)</u>	\$ <u>358,956,922</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Note 4: Long-term Liabilities

Long-term liability activity for the years ended December 31, 2024 and 2023, are as follows:

2024					
	January 1	Additions	Payments or Amortization	December 31	Amounts Due Within One Year
Revenue bonds payable	\$ 529,858,000	\$ —	\$ (21,065,000)	\$ 508,793,000	\$ 22,090,000
Less unamortized net (discount)/premium	<u>26,840,305</u>	<u>—</u>	<u>(3,506,364)</u>	<u>23,333,941</u>	<u>—</u>
Total revenue bonds payable	556,698,305	—	(24,571,364)	532,126,941	22,090,000
Note payable	19,026,120	—	(3,375,165)	15,650,955	3,577,675
Line of credit	800,000	—	—	800,000	—
Lease liability	<u>7,600,443</u>	<u>—</u>	<u>(212,051)</u>	<u>7,388,392</u>	<u>238,581</u>
Total long-term liabilities	<u>\$ 584,124,868</u>	<u>\$ —</u>	<u>\$ (28,158,580)</u>	<u>\$ 555,966,288</u>	<u>\$ 25,906,256</u>
2023					
	January 1	Additions	Payments or Amortization	December 31	Amounts Due Within One Year
Revenue bonds payable	\$ 555,883,000	\$ —	\$ (26,025,000)	\$ 529,858,000	\$ 21,065,000
Less unamortized net (discount)/premium	<u>30,834,306</u>	<u>—</u>	<u>(3,994,001)</u>	<u>26,840,305</u>	<u>—</u>
Total revenue bonds payable	586,717,306	—	(30,019,001)	556,698,305	21,065,000
Note payable	22,210,238	—	(3,184,118)	19,026,120	3,375,165
Line of credit	800,000	—	—	800,000	—
Lease liability	<u>7,786,484</u>	<u>—</u>	<u>(186,041)</u>	<u>7,600,443</u>	<u>212,051</u>
Total long-term liabilities	<u>\$ 617,514,028</u>	<u>\$ —</u>	<u>\$ (33,389,160)</u>	<u>\$ 584,124,868</u>	<u>\$ 24,652,216</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Revenue Bonds Payable

The Authority has issued Power Supply System Revenue Bonds to finance portions of its acquisition and construction activities and establish bond reserve investments.

Revenue bonds outstanding at December 31, 2024 and 2023, are as follows:

	2024	2023
Power Supply System Revenue Bonds, Series 2010B, 6.31% to 6.44%, due January 1, 2039 to January 1, 2045	\$ 70,000,000	\$ 70,000,000
Power Supply System Revenue Refunding Bonds, Series 2014A, 3.00% to 5.00%, due January 1, 2019 to January 1, 2038	825,000	1,630,000
Power Supply System Revenue Refunding Bonds, Series 2014B, 3.00% to 5.00%, due January 1, 2021 to January 1, 2027	23,850,000	28,235,000
Power Supply System Revenue Refunding Bonds, Series 2016A, 2.25% to 5.00%, due January 1, 2028 to January 1, 2047	124,315,000	124,315,000
Power Supply System Revenue Refunding Bonds, Series 2019A, 5.00%, due January 1, 2020 to January 1, 2028	8,375,000	10,230,000
Power Supply System Revenue Refunding Bonds, Series 2021A, 4.00% - 5.00%, due January 1, 2022 to January 1, 2047	110,088,000	123,833,000
Power Supply System Revenue Refunding Bonds (federally taxable), Series 2021B, 0.461% - 2.903%%, due January 1, 2022 to January 1, 2047	<u>171,340,000</u>	<u>171,615,000</u>
	508,793,000	529,858,000
Less current portion of revenue bonds payable	<u>22,090,000</u>	<u>21,065,000</u>
Revenue bonds payable less current portion	<u>\$ 486,703,000</u>	<u>\$ 508,793,000</u>

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Principal and interest payments of revenue bonds for the years ending after December 31, 2024, are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	\$ 22,090,000	\$ 18,805,362	\$ 40,895,362
2026	23,170,000	17,727,907	40,897,907
2027	24,315,000	16,579,570	40,894,570
2028	25,365,000	15,533,380	40,898,380
2029	21,470,000	14,703,399	36,173,399
2030 – 2034	89,825,000	63,611,132	153,436,132
2035 – 2039	97,615,000	48,571,093	146,186,093
2040 – 2044	120,692,000	30,246,497	150,938,497
2045 – 2047	<u>84,251,000</u>	<u>6,336,134</u>	<u>90,587,134</u>
	<u>\$ 508,793,000</u>	<u>\$ 232,114,474</u>	<u>\$ 740,907,474</u>

The bonds are payable from, and collateralized by, a pledge of and security interest in the proceeds of the sale of the bonds, the operating revenues of the Authority and assets in the funds established by the respective bond resolution. Interest on all fixed rate and term rate bonds is payable semiannually on January 1 and July 1; interest on variable rate bonds is payable on the first business day of each month. Neither the State nor any political subdivision thereof, nor any participating municipality which has contracted with the Authority, is obligated to pay principal or interest on the bonds. The Authority does not have any taxing authority. Additionally, the Authority must have approval from the State of Oklahoma Council of Bond Oversight in order to issue bonds.

The Power Supply System Revenue Bonds, Series 2014A, 2014B, 2016A, 2019A, 2021A, and 2021B were issued to advance refund previously outstanding bonds of the Authority. The differences between the Authority's net carrying amount of the refunded bonds and the net proceeds of the refunding bonds were deferred and are being amortized over the terms of the refunding bonds. The transactions resulted in a net reduction of debt service cost over the term of the refunding bonds.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

The Authority issued \$70,000,000 of Series 2010B Power Supply System Revenue Bonds (Federally Taxable Build America Bonds – Direct Pay) on August 11, 2010. The proceeds were used for the construction of the John W. Turk Jr. power plant and other capital projects. The Series 2010B bonds carry a fixed interest rate of 6.31% to 6.44% and are due January 2039 thru January 2045. The Authority receives a Federal subsidy equal to 33% of interest payable.

On November 21, 2014, The Authority issued \$88,740,000 of Series 2014A and \$34,440,000 of Series 2014B Power Supply System Revenue Refunding Bonds. The 2014 series bonds carry a fixed interest rate of 3.000% to 5.000% and are due January 2019 through 2038. The proceeds were used to refund \$25,575,000 of the Authority's Series 2001B Bonds, \$16,100,000 of the Authority's Series 2003A Bonds and \$87,330,000 of the Authority's Series 2008A Bonds. The transaction resulted in a net refunding loss of \$14,262,936, and had a net present value savings of 6.11%.

On October 5, 2016, The Authority issued \$124,315,000 of Series 2016A Power Supply System Revenue Refunding Bonds. The 2016A series bonds carry a fixed interest rate of 2.25% to 5.000% and are due January 2028 through 2047. The proceeds were used to refund \$135,375,000 of the Authority's Series 2007A Bonds. The transaction resulted in a net refunding loss of \$2,527,805, and had a net present value savings of 14.99%.

On October 3, 2019, The Authority issued \$59,105,000 of Series 2019A Power Supply System Revenue Refunding Bonds. The 2019A series bonds carry a fixed interest rate of 5.000% and are due January 2020 through 2028. The proceeds were used to refund \$64,005,000 of the Authority's Series 2010A Bonds. The transaction resulted in a net refunding loss of \$1,328,820, and had a net present value savings of 8.45%.

On July 1, 2021 The Authority issued \$125,963,000 of Series 2021A Power Supply System Revenue Refunding Bonds, and \$172,015,000 of Series 2021B Power Supply System Revenue Refunding Bonds (federally taxable). The 2021A series bonds carry a fixed interest rate of 3.000% to 5.000% and are due January 2022 through 2045. The 2021B series bonds carry a fixed interest rate of 0.461% to 2.551% and are due January 2022 through 2036. The proceeds were used to refund the Authority's Series 2013A, 2013B and most of the Series 2014A Bonds. Proceeds were also used to pay off a \$60 million term note with Bank of America, see note 13. The transaction resulted in a net refunding loss of \$24,188,835, and had a net present value savings of 8.51%.

On March 29, 2021, The Authority authorized the defeasance of all the outstanding principal amount of the 1992B Bonds. As of March 29, 2021, the 1992B Bonds had an outstanding principal amount of \$10,370,000. The Authority authorized the transfer of \$12,083,099 currently on deposit in the Debt Service Reserve Account to the Escrow Account. A portion of the cash contribution was used to purchase escrowed securities and the remaining was placed in an escrow account to defease the bonds. The Escrow agent pays the debt service requirements of the defeased bonds.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Under the bond resolutions, the Authority has covenanted that it will establish and collect rents, rates and charges under the Power Sales Contracts and will otherwise charge and collect rents, rates and charges for the use or sale of the output, capacity or service of its system which, together with other available revenues, are reasonably expected to yield net revenues for the 12-month period commencing with the effective date of such rents, rates and charges equal to at least 1.10 times the aggregate debt service for such period and, in any event, as are required, together with other available funds, to pay or discharge all other indebtedness, charges and liens payable out of revenues under the resolutions.

Total outstanding defeased bonds totaled \$55,260,000 as of December 31, 2024 and 2023, respectively, which represents the final callable date of the bonds as part 2014A bond issue.

Note Payable - FPL

The Authority has issued \$57,739,000 in a taxable limited obligation note. The note bears an interest rate of 6%. Annual principal and interest payments of \$4,516,732 are due through December 31, 2028. The note is payable solely from payments made by FPL Energy Oklahoma Wind, LLC on electric plant (*Note 11*) with no recourse to the Authority.

Principal and interest payments of the note payable for the years ending after December 31, 2024, are as follows:

Direct Placement			
Year Ending December 31,	Principal	Interest	Total
2025	\$ 3,577,675	\$ 939,057	\$ 4,516,732
2026	3,792,336	724,396	4,516,732
2027	4,019,876	496,856	4,516,732
2028	<u>4,261,068</u>	<u>255,664</u>	<u>4,516,732</u>
	<u>\$ 15,650,955</u>	<u>\$ 2,415,973</u>	<u>\$ 18,066,928</u>

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Note 5: Restricted Net Position

At December 31, 2024 and 2023, restricted net position is available for the following purposes:

	<u>2024</u>	<u>2023</u>
Debt service	\$ 22,295,243	\$ 21,305,962
Net pension asset	<u>1,008,491</u>	<u>---</u>
Total restricted expendable net position	<u>\$ 23,303,734</u>	<u>\$ 21,305,962</u>

The restrictions of the various accounts are as follows:

- Debt service accounts – This account is restricted for payment of the current portion of bond principal and interest, and maintenance of debt service reserves sufficient to cover the maximum annual principal and interest requirements of the respective related bond issues.
- Net pension asset represents the Authority’s share of pension plan assets that exceed the pension benefit obligation. This balance must be used to fund employee benefits.

Note 6: Defined Benefit Pension Plan Participation

Plan Description

The Authority, as the employer, participates in Oklahoma Public Employees Retirement Plan —a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Title 74 of the Oklahoma State Statutes grants the authority to establish and amend the benefit terms to the OPERS. OPERS issues a publicly available financial report that can be obtained at www.opers.ok.gov.

Benefits Provided

OPERS provides retirement, disability, and death benefits to members of the plan. Members qualify for full retirement benefits at their specified normal retirement age or, for any person who became a member prior to July 1, 1992, when the sum of the member’s age and years of credited service equals or exceeds 80 (Rule of 80), and for any person who became a member after June 30, 1992, when the member’s age and years of credited service equals or exceeds 90 (Rule of 90). Normal retirement date is further qualified to require that all members employed on or after January 1, 1983 must have six or more years of full-time equivalent employment with a participating employer before being eligible to receive benefits. Credited service is the sum of participating and prior service. Prior service includes nonparticipating service before January 1, 1975, or the entry date of the employer and active wartime military service. A member with a minimum of ten years of participating service may elect early retirement with reduced benefits beginning at age 55 if the participant became a member prior to November 1, 2011, or age 60 if

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

the participant became a member on or after November 1, 2011. As of November 1, 2015, the OPERS plan is closed to new participants.

Benefits are calculated for each member category as follows:

Employees

- Benefits are determined at 2% of the average annual salary received during the highest thirty-six months of the last ten years of participating service, but not to exceed the applicable annual salary cap, multiplied by the number of years of credited service. Members who join OPERS on or after July 1, 2013, will have their salary averaged over the highest 60 months of the last ten years. Normal retirement age under the Plan is 62 or Rule of 80/90 if the participant became a member prior to November 1, 2011, or age 65 or Rule of 90 if the participant became a member on or after November 1, 2011.
- Members who elect to pay the additional contribution rate, which became available in January 2004, will receive benefits using a 2.5% computation factor for each full year the additional contributions are made. In 2004, legislation was enacted to provide an increased benefit to retiring members who were not yet eligible for Medicare. The Medicare Gap benefit option became available to members under age 65 who retired on or after May 1, 2006. Members may elect to receive a temporary increased benefit to cover the cost of health insurance premiums until the member is eligible to receive Medicare. After the member becomes eligible for Medicare, the retirement benefit will be permanently reduced by an actuarially determined amount. The option is irrevocable, must be chosen prior to retirement, and is structured to have a neutral actuarial cost to the Plan.
- Members become eligible to vest fully upon termination of employment after attaining eight years of credited service, or the members' contributions may be withdrawn upon termination of employment.

Disability retirement benefits are available for members having eight years of credited service whose disability status has been certified as being within one year of the last day on the job by the Social Security Administration. Disability retirement benefits are determined in the same manner as retirement benefits, but payable immediately without an actuarial reduction.

Upon the death of an active member, the accumulated contributions of the member are paid to the member's named beneficiary in a single lump sum payment. If a retired member elected a joint annuitant survivor option or an active member was eligible to retire with either reduced or unreduced benefits or eligible to vest the retirement benefit at the time of death, benefits can be paid in monthly payments over the life of the spouse if the spouse so elects.

Upon the death of a retired member, the Plan will pay a \$5,000 death benefit to the member's beneficiary or estate of the member if there is no living beneficiary. The death benefit will be paid in addition to any excess employee contributions or survivor benefits due to the beneficiary.

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Contributions

The contribution rates for each member category of the Plan are established by the Oklahoma Legislature after recommendation by the Board based on an actuarial calculation, which is performed to determine the adequacy of such contribution rates. Employees are required to contribute 3.5% percent of their annual pay. Participating entities are required to contribute 16.5% of the employees' annual pay. Contributions to the pension plan recognized by the Authority were \$954,375 and \$925,579 in 2024 and 2023, respectively.

Pension Liability /(Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Authority reported a liability/(asset) of (\$1,008,491) and \$1,434,550 for its proportionate share of the net pension obligation at December 31, 2024 and 2023, respectively. For the year ended December 31, 2024, the net pension asset was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2024. For the year ended December 31, 2023, the net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30th. Based upon this information, the Authority's proportion was 0.30391% and 0.31311% in 2024 and 2023, respectively.

The Authority recognized pension expense of \$468,215 at December 31, 2024. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 106,652	\$ ---
Change of assumptions	42,680	
Net difference between projected and actual earnings on pension plan investments	---	593,255
Authority contributions subsequent to the measurement date	<u>567,724</u>	<u>---</u>
Total	<u>\$ 717,056</u>	<u>\$ 593,255</u>

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

The Authority recognized pension expense of \$858,996 at December 31, 2023. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 39,302	\$ 21,701
Change of assumptions	302,632	
Net difference between projected and actual earnings on pension plan investments	1,190,842	---
Authority contributions subsequent to the measurement date	<u>344,974</u>	<u>---</u>
Total	\$ <u>1,877,750</u>	\$ <u>21,701</u>

\$567,724 and \$344,974 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the years ended December 31, 2024 and 2023, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

	Deferred Inflows/Outflows
2025	\$ (245,979)
2026	866,501
2027	(663,961)
2028	(400,484)
Thereafter	-
	<u>\$ (443,923)</u>

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Actuarial Assumptions

The total pension liability/(asset) as of December 31, 2024 and 2023, was determined based on an actuarial valuation prepared as of July 1, 2024 and July 1, 2023, respectively using the following actuarial assumptions:

- Investment return – 6.5% for 2024 and 2023 compounded annually net of investment expense and including inflation.
- Salary increases – 3.5% to 9.25% for 2024 and 2023.
- Mortality rates – Pub 2010 Below Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale-MP2019. Males rates are set back one year, and Female rates are set forward two year.
- No annual post-retirement benefit increases
- Assumed inflation rate – 2.50% for 2024 and 2023.
- Payroll growth – 3.25% for 2024 and 2023.
- Actuarial cost method – Entry age
- Select period for the termination of employment assumptions – 10 years

The actuarial assumptions used in the July 1, 2024 and 2023 valuation is based on the results of the most recent actuarial experience study, which cover the three-year period ending June 30, 2022. The experience study report is dated April 12, 2023.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

The Target asset allocation and best estimates of geometric real rates of return for each major asset class as of December 31, 2024 and 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	34.0%	5.1%
U.S. Small Cap Equity	6.0%	5.0%
Global Equity ex-US	28.0%	8.2%
Core Fixed Income	25.0%	1.9%
Long Term Treasuries	3.5%	2.1%
US TIPS	3.5%	1.8%
Total	100.0%	

Discount Rate

The discount rates used to measure the total pension liability/(asset) was 6.5% for 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and the employers will be made at the current contribution rate as set out in state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability/(asset). The discount rate determined does not use a municipal bond rate.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Sensitivity of the Net Liability/(Asset) to Changes in the Discount Rate

In 2024, the net asset of the employer is calculated using the discount rate of 6.5%, as well as what the Plan's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

December 31, 2024				
	1% Decrease		Discount Rate	1% Increase
	(5.50%)		(6.50%)	(7.50%)
Net Pension Liability/(Asset)	\$ 3,012,805	\$	(1,008,491)	\$ (4,388,469)

In 2023, the net pension liability of the employer is calculated using the discount rate of 6.5%, as well as what the Plan's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

December 31, 2023				
	1% Decrease		Discount Rate	1% Increase
	(5.50%)		(6.50%)	(7.50%)
Net Pension Liability/(Asset)	\$ 5,533,424	\$	1,434,550	\$ (2,015,548)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OPERS; which can be located at www.opers.ok.gov.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Note 7: Other Employee Benefit Plans

Oklahoma Public Employees Retirement Defined Contribution Plan

Effective November 15, 2015, the Oklahoma Legislature enacted legislation requiring a Defined Contribution System be established by the OPERS for most state employees first employed by a participating State employer on or after November 1, 2015. Employees of the Authority who first become employees on or after November 1, 2015, and have no prior participation in OPERS must participate in the mandatory Defined Contribution Plan created in accordance with Internal Revenue Code Section 401(a) and 457(b) and chapter 40 of Title 590 of the Oklahoma Statute. The Defined Contribution plan is known as Pathfinder. Pathfinder and its related Trust(s) are intended to meet the requirements of the Internal Revenue Code. Pathfinder is administered by OPERS. The board of trustees of OPERS may amend Pathfinder or Trust(s) but no amendment shall authorize or permit any part of the Trust for Pathfinder to be used or diverted to purposes other than for the exclusive benefit of the Pathfinder participants and their beneficiaries.

Contribution rates are established by Oklahoma Statute and may be amended by the Oklahoma Legislature. For the initial period of implementation, employees must make mandatory employee contributions of 4.5% of pretax salary to the 401(a) plan and may make additional voluntary contributions to the 457(b) plan, subject to maximum deferral limits allowed under the Code.

Employees are vested 100% for all employee contributions. The Authority must make mandatory contributions of 6% of the employee's pretax salary and 7% if the employee elects to participate in the 457(b) plan. Employees become vested for the employer contributions based on an established vesting schedule. The amount of the Authority's contributions was \$93,242 and \$82,699 for the years ending December 31, 2024 and 2023, respectively.

Additionally, in order to reduce the liabilities of the defined benefit plan, the Authority is required to contribute the difference between the established 16.5% defined benefit employer contribution rate and the amount required to match the participating employees contribution in the defined contribution plan. The amount of the Authority's contributions was \$163,173 and \$144,724 for the years ending December 31, 2024 and 2023, respectively. The Authority reports no liability for Pathfinder.

Mission Square Deferred Compensation Plan

Authority employees may participate in a voluntary deferred compensation plan provided for under Section 457 of the Internal Revenue Code. Employees pay no state or federal income tax (*i.e.*, only FICA on amounts contributed to the plan), and the income earned on plan assets is also nontaxable. The assets in the plan are held in trust until paid or made available to participants. The assets are not subject to claims of the Authority's general creditors.

Contributions to the deferred compensation plan may not exceed the maximum allowable by IRS guidelines. Plan withdrawals are available at retirement, termination of employment and in the event of disability or unforeseen emergency. In the event of death, the beneficiary receives the full

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

account value based upon current fair value.

Mission Square 401(a) Money Purchase Plan

The Authority participates in a voluntary deferred compensation plan provided for under Section 401(a) of the Internal Revenue Code. The plan is structured so that the Authority will match employee contributions into the Section 457 plan, up to a limit of 5% of the employee's annual salary. The Authority contributed \$141,000 and \$132,000 into the plan in 2024 and 2023, respectively. The assets are not subject to claims of the Authority's general creditors.

The deferred compensation plan and the money purchase plan are administered by Mission Square Retirement Corporation, a nonprofit organization specifically designed to serve municipal employees. The assets are held by Mission Square, and are not presented in the Authority's financial statements.

Note 8: Commodity Price Swap Contracts

Objective of the Swap

The Authority is exposed to market price fluctuations on its purchase of natural gas. To protect itself from natural gas price fluctuations, the Authority periodically enters into natural gas price swap contracts. The Authority follows hedge accounting for derivatives that are considered effective hedges. Under hedge accounting, the increase or decrease in fair value of a hedge is reported as a deferred inflow or deferred outflow in the Statement of Net Position. For 2024 and 2023, the natural gas price swaps were considered effective.

Terms

The Authority enters into natural gas price swap contracts at various fixed prices and notional amounts. Each swap contract provides for the Authority to pay a fixed price, and for the contract counterparty to pay a floating price for the notional amount of the contract. The notional amount of each natural gas price swap contract is measured in MMBtu's with the floating price based on a specific published natural gas price index (spot price) for the relevant contract month. At December 31, 2024, the Authority's outstanding natural gas price swap contracts were as follows:

Oklahoma Municipal Power Authority

A Component Unit of the State of Oklahoma

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

Maturity Date	Notional Quantity (MMBTU)	Fixed Price (\$/MMBTU)	Fair Value
Jan. 31, 2025	248,000	\$ 3.275 – 3.87	\$ 95,481
Feb 28, 2025	224,000	3.275 – 3.87	132,509
Mar. 31, 2025	248,000	3.275 – 3.87	(177,293)
June 30, 2025	150,000	2.69 - 2.903	(3,054)
July 31, 2025	150,000	2.69 - 2.903	22,419
Aug. 31, 2025	150,000	2.69 - 2.903	25,954
Sept. 30, 2025	<u>150,000</u>	2.69 - 2.903	<u>15,771</u>
	<u>1,320,000</u>		<u>\$ 111,787</u>

At December 31, 2023, the Authority had outstanding natural gas price swap contracts with notional amounts totaling 2,559,000 MMBtu's at fixed prices between \$2.29 and \$4.98 per MMBtu, and expiring between January 2025 and September 2025.

Fair Value

The outstanding natural gas price swap contracts had a positive fair value of \$111,787 at December 31, 2024, and a negative fair value of \$1,539,514 at December 31, 2023. The fair value is estimated by discounting actual and implied forward prices using the zero-coupon method. The future net settlement amounts are calculated by assuming that the current forward rates implied by the forward curve for natural gas prices correctly anticipate future spot prices. The future net settlement amounts are then discounted using the spot rates implied by the current interest yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement of each contract.

Credit Risk

At December 31, 2024, the Authority was exposed to credit risk because the natural gas price swaps had a positive fair value. At December 31, 2023, the Authority was not exposed to credit risk because the natural gas price swaps had a negative fair value. The swap agreements do not require collateral from the Authority or the counterparty.

At December 31, 2024, all swap transactions had the following credit ratings:

	Moody's	S&P	Fitches
Morgan Stanley	A1	A-	A+
Shell	A2	AA-	AA-
JP Morgan Chase	Aa2	AA-	AA

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

At December 31, 2023 , all swap transactions had the following credit ratings

	Moody's	S&P	Fitches
Morgan Stanley	A1	A-	A+
Shell	A2	AA-	AA-
JP Morgan Chase	Aa2	A+	AA

Termination Risk

The Authority or the counterparty may terminate any of the swap contracts if the other party fails to perform under the contract terms. Also, if at the time of the termination, any swap contract has a negative fair value, the Authority would be liable to the counterparty for a payment equal to the swaps fair value.

Note 9: Commitments and Contingencies

Purchase Power

During 2024 and 2023, approximately \$16,307,000 and \$19,784,000 of power was purchased pursuant to several long-term purchase agreements. The Authority is obligated to purchase, approximately \$20,203,000 of power in 2025, and is committed to purchase capacity and energy under various purchase power contract in future years.

General Litigation

The Authority is subject to claims and lawsuits that arise in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the changes in financial position and cash flows of the Authority. There were no claims asserted or lawsuits pending against the Authority as of December 31, 2024.

Line of Credit

The Authority has a line of credit with Bank of America in the amount of \$15,000,000. The maturity date is December 1, 2026. The interest rate is based on the Secured Overnight Funds Rate, and was 4.95% at December 31, 2024. The amount drawn down to the line of credit as of December 31, 2024 and 2023 is \$800,000.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

Note 10: FPL Assets - Financed Sale

The Authority executed a power purchase agreement for 51 MW with FPL Energy Oklahoma Wind, LLC (FPLE Oklahoma) for the development of a wind generation facility in northwestern Oklahoma. The power purchase agreement has a term of approximately 25 years, and power is sold on a take and pay basis. Under the Agreement, FPLE Oklahoma was responsible for acquiring, constructing and installing the wind project. The Authority issued a taxable limited obligation note (the Note), which is payable solely from payments made by FPLE Oklahoma with no recourse to the Authority (*Note 4*). The Authority used the proceeds of the note to finance the Authority's acquisition of the wind project and has sold the wind project to FPLE Oklahoma under a financed sale agreement for an amount sufficient to pay debt service, principal and interest on the Note. FPLE Oklahoma retains the operational risk related to the wind project, and will own the project at the end of the agreement.

The Authority has recorded a receivable for the future note payments to be received (*Note 4*). The receivable amount totals \$18,066,929 and \$22,583,661 as of December 31, 2024 and 2023, respectively.

Note 11: Leased Assets

On January 1, 2021, the Authority entered into a facilities lease with the City of Ponca City, Oklahoma. The term of the lease is 20 years. This lease agreement is the fourth amendment to the Capacity Purchase Agreement and Lease and Operating Agreement of the Ponca City Power Plant.

The amendment terminates the prior capacity purchase agreement with the City of Ponca City. The lease entitles the Authority to full operational control of the Ponca City Power Plant. The Authority operates three natural gas generating units at the facility. At the termination of the lease The City of Ponca City will retain ownership of the facility.

Based on a 3% discount rate, which approximates the Authority's cost of capital, principal and interest payments over the remaining life of the lease are as follows:

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Notes to Financial Statements
As of and for the Years Ended December 31, 2024 and 2023

	Principal	Interest	Total
2025	\$ 238,581	\$ 302,639	\$ 541,220
2026	265,643	286,402	552,045
2027	293,245	269,841	563,086
2028	321,399	252,948	574,347
2029	350,116	235,718	585,834
2030 - 2034	2,201,851	907,828	3,109,679
2035 - 2039	3,010,998	422,340	3,433,338
2040	706,559	21,852	728,411
	<u>\$ 7,388,392</u>	<u>\$ 2,699,568</u>	<u>\$ 10,087,960</u>

Note 12: Plant Retirements

In November of 2020, the co-owners of the Pirkey lignite fired steam electric generating plant decided to close the plant at the end of March 2023. The \$1.5 million in remaining depreciation and \$460,000 in fuel reserves were written off by the date of closing.

The decision to close the plant was made because the plant was increasingly un-economical in the Southwest Power Pool energy market, due to an abundance of less expensive natural gas and wind generation.

The plant had a service life in excess of 35 years. A service life of 35 years was the expected life when this plant was placed in service in the mid 1980's. Therefore, the plant does not meet the definition of an impaired asset as defined by GASB 42.

Depreciation for the Pirkey assets was accelerated in 2021 and completed at the end of 2022.

For the Pirkey plant, \$1.7 million in depreciation and \$460,000 in fuel reserves and advanced royalties were written off in 2022.

Note 13: Subsequent Events

An issue was found during an inspection of the combustion turbine at the Charles D. Lamb Energy Center. The repair costs are estimated to total approximately \$1.4 million. The Authority's Board elected to fund these repairs using rate stabilization funds. The repairs will be completed in January 2025.

REQUIRED SUPPLEMENTARY INFORMATION

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Required Supplemental Information
As of and for the Years Ended December 31, 2024 and 2023
(Unaudited)

Schedule of Proportionate Share of the Net Pension Liability (Asset) – Oklahoma Public Employees Retirement System

Last 10 Fiscal Years

	12/31/2024	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
OMPA proportion of net pension liability	0.303911%	0.313113%	0.326390%	0.325935%	0.318251%	0.356446%	0.327189%	0.318826%	0.031058%	0.030422%
OMPA proportionate share of net pension liability/(asset)	\$(1,008,491)	\$ 1,434,550	\$ 2,743,528	\$(4,374,579)	\$2,839,318	\$ 474,744	\$ 638,153	\$ 1,723,775	\$3,081,110	\$ 1,094,248
Covered Payroll	\$ 4,187,287	\$ 4,137,538	\$ 4,090,995	\$ 4,373,056	\$4,834,918	\$5,073,878	\$5,087,203	\$4,956,925	\$5,292,418	\$5,034,873
OMPA proportionate share of net pension liability as a percentage of covered payroll	24.08%	34.67%	67.06%	100.03%	58.73%	9.36%	12.54%	34.77%	58.22%	21.73%
Plan fiduciary net position as a percentage of total pension liability	102.9%	95.9%	92.2%	112.5%	91.6%	98.6%	97.9%	94.3%	89.5%	93.6%

Changes in Benefit Terms. There were no changes of benefit terms for any participating employer in the Plan.

Changes in Assumptions are as follows:

	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015	
Long-term rate of return	6.50	%	6.50	%	6.50	%	6.50	%	6.50	%	7.00	%	7.00	%	7.25	%	7.25	%	7.50	%
Discount rate	6.50		6.50		6.50		6.50		6.50		7.00		7.00		7.25		7.25		7.50	
Price Inflation	2.50		2.50		2.50		2.50		2.50		2.75		2.75		2.75		3.00		3.00	
Real Wage Growth	3.25		3.25		3.25		3.25		0.75		0.75		0.75		0.75		1.00		1.00	

There were no other changes in assumptions.

Oklahoma Municipal Power Authority
A Component Unit of the State of Oklahoma
Required Supplemental Information
As of and for the Years Ended December 31, 2024 and 2023
(Unaudited)

Schedule of Contributions – Oklahoma Public Employees Retirement System

Last 10 Fiscal Years

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
Contractually Required Contributions	\$ 1,060,409	\$ 948,735	\$ 922,289	\$ 895,602	\$ 910,035	\$ 938,136	\$ 845,397	\$ 857,632	\$ 920,625	\$ 874,210
Actual employer contributions	<u>\$ 1,060,409</u>	<u>\$ 948,735</u>	<u>\$ 922,289</u>	<u>\$ 895,602</u>	<u>\$ 910,035</u>	<u>\$ 938,136</u>	<u>\$ 845,397</u>	<u>\$ 857,632</u>	<u>\$ 920,625</u>	<u>\$ 874,210</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,388,988	\$ 4,124,309	\$ 4,074,171	\$ 4,231,544	\$ 4,517,268	\$ 4,985,182	\$ 4,762,999	\$ 4,804,161	\$ 5,072,249	\$ 5,298,243
Contributions as a percentage of covered payroll	24.2%	23.0%	22.6%	21.2%	20.1%	18.8%	17.7%	17.9%	18.2%	16.5%

**Report on Internal Control
Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
With *Government Auditing Standards***

Independent Auditors' Report

To the Board of Directors of
Oklahoma Municipal Power Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Oklahoma Municipal Power Authority (the Authority), which comprise the Authority's statement of net position as of December 31, 2024, and the related statements of revenues, expenses and changes of net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Austin, Texas
March 31, 2025

APPENDIX C

INFORMATION CONCERNING CERTAIN CO-OWNERS

The companies, municipal utility and the rural electric generation and transmission cooperative listed below are joint owners, with the Authority, of the following power supply resources:

Dolet Hills 1: Southwestern Electric Power Company (“SWEPCO”)
 Central Louisiana Electric Company, Inc. (“CLECO”)
 Northeast Texas Electric Cooperative, Inc. (“NTEC”)

Pirkey 1: SWEPCO
 NTEC

McClain
Generating Facility: Oklahoma Gas & Electric Company (“OG&E”)

Redbud
Generating Facility: OG&E
 Grand River Dam Authority (“GRDA”)

Turk: SWEPCO
 East Texas Electric Cooperative (“ETEC”)
 Arkansas Electric Cooperative Corporation (“AECC”)

American Electric Power Company, Inc. (“AEP”) is the parent company of PSO, TNC and SWEPCO.

Certain of the joint owners have assumed responsibility for operation of the above power supply resources as described in Appendix F hereto. None of the joint owners is an obligor with respect to the Bonds.

Certain information, as of particular dates, concerning PSO, TNC, SWEPCO, CLECO and OG&E (the “Companies”), their directors and officers, their remuneration and any material interest of such persons in transactions with the Companies are disclosed in Annual Reports on Form 10-K or proxy statements distributed to stockholders and filed with the Securities and Exchange Commission (the “SEC”). Such reports, proxy statements and other information may be inspected and copied at the public reference facilities maintained by the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such material can also be obtained at prescribed rates by writing to the SEC, Public Reference Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Certain securities of the Companies are listed on the New York and Midwest Stock Exchanges, where reports, proxy material and other information concerning the Companies may also be inspected. In addition, the Companies are required to file reports and information with the Federal Energy Regulatory Commission (the “FERC”). Such reports and information can be inspected at the FERC’s Public Reference Room, 888 First Street, N.E., Room 2-A, Washington, D.C. 20426.

None of the above-mentioned additional information regarding any of the Companies is part of the Official Statement and the Authority does not take any responsibility for the accuracy or completeness thereof.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACTS

The following is a summary of certain provisions of the Power Sales Contracts, as amended (collectively, the “Power Sales Contracts”), between the Authority and 43 of its participants (the “Participating Trusts”). The summary does not purport to be a complete description of the terms of the Power Sales Contracts and, accordingly, is qualified by reference thereto. Copies of the Power Sales Contracts may be obtained from the Authority.

A. Term

Pursuant to amendments to the Power Sales Contracts with 37 of the Participating Trusts, the term of each Power Sales Contract extends indefinitely until terminated upon at least 15 years prior written notice by either party. Additionally, the Power Sales Contracts with the Fort Supply Public Works Authority, the Mooreland Public Works Authority, the New Cordell Utility Authority, the Orlando Public Works Authority, Watonga Public Works Authority, and the Lindsay Public Works Authority provided for the 15 year notice of termination from their inception.

B. Purchase and Sale

Subject to the exceptions noted below, each Power Sales Contract requires the Authority to sell to the Participating Trust, and the Participating Trust to purchase from the Authority, all electric power and energy required by such Participating Trust for the operation of its municipal electric system. Upon seven years’ notice, the amount of electric power and energy the Authority is required to sell and each Participating Trust is required to purchase may be limited by the Participating Trust or the Authority to the “Contract Rate of Delivery,” which is defined to be the peak demand for power under the Power Sales Contract of such Participating Trust in the 24 monthly billing periods prior to the date such limitation commences, adjusted up or down by not more than 10% to provide for optimal utilization of the Authority’s resources. If the Authority exercises its Contract Rate of Delivery option, it must exercise such option with respect to all Participating Trusts.

The foregoing is subject to certain exceptions. In the case of 16 Participating Trusts, the amount of power and energy to be sold by the Authority and purchased by such Participating Trusts is its requirements in excess of the portion served through purchases under an allocation from Southwestern Power Administration, an agency of the Department of Energy of the United States.

C. Payments by the Participating Trusts

Each Participating Trust is required to pay for electric power and energy furnished pursuant to its Power Sales Contract at its point or points of delivery according to rates to be established by the Authority. The rates of the Authority are to be reviewed at least once a year and, if necessary, revised so as to provide revenues sufficient, but only sufficient, together with other available funds of the Authority, to meet the estimated “Revenue Requirements” of the Authority. The term Revenue Requirements is defined to include generally all costs and expenses paid or incurred or to be paid or incurred by the Authority resulting from the ownership, operation, maintenance, termination, retirement from service and decommissioning of, and repair, renewals, replacements, additions, improvements, betterments and modifications to, the Authority’s system or otherwise relating to the acquisition and sale of power and energy and transmission services and performance by the Authority of its obligations under the Power Sales Contracts. The term Revenue Requirements includes, without limitation, debt service on Bonds and all other evidences of indebtedness issued by the Authority to finance its system, all amounts required under the Authority’s Power Supply System Revenue Bond Resolution to be deposited in funds established thereunder and amounts which must

be realized by the Authority to satisfy any rate covenant with respect to debt service coverage or which the Authority deems advisable in the marketing of its evidences of indebtedness; ***provided, however, that Revenue Requirements shall not include debt service on bonds, notes or other evidences of indebtedness due solely by virtue of the acceleration of the maturity thereof.*** If necessary, in determining the rates necessary to produce sufficient revenues, the Authority shall take into account any anticipated delinquency or default in payments by Participating Trusts under the Power Sales Contracts. The Authority is also required to bill each Participating Trust on a prompt and timely basis.

At such intervals as it shall determine appropriate, but in any event not less frequently than once each calendar year, the Authority shall review and, if necessary, revise the rate schedule to insure that the rates thereunder continue to cover its estimate of the Revenue Requirements. In connection with any revision of that rate schedule, the Authority shall cause a notice in writing to be given to all Participating Trusts which shall set out any proposed revision of the rate schedule with the effective date thereof, which shall not be less than 60 days after the date of the notice. The Participating Trust agrees to pay for electric power and energy made available by the Authority to it under the Power Sales Contract after the effective date of any revision in the rate schedule in accordance with the rate schedule as so revised.

If a Participating Trust fails to take power and energy made available by the Authority which it is required to take under its Power Sales Contract, it will be obligated to pay the Authority for such availability an amount equal to the product of the demand charge in the Authority's rate schedule and the billing demand computed on the basis of the kilowatts that would otherwise have been taken from the Authority.

Payments by each Participating Trust under its Power Sales Contract shall be made as an operating expense from the revenues of its electric utility system (or, if the electric utility system is part of an integrated utility system, from the revenues of such larger system) and from other funds of such system legally available therefor. However, the obligations to make such payments are not a general obligation of the Participating Trust. In no event shall the Participating Trust be required to make payments under its Power Sales Contract from tax revenues.

The obligations of each Participating Trust to make payments under the rate schedule shall not be subject to any reduction, whether by offset, counterclaim, recoupment or otherwise, and shall not be otherwise conditioned upon the performance by the Authority under the Power Sales Contract or any other agreement.

Amendments to the Power Sales Contract of each Participating Trust provide that in the event (i) Bonds are issued in furtherance of the Authority's obligations under the Power Sales Contract, (ii) such Bonds are issued prior to any written notice of termination of the Power Sales Contract, and (iii) such Bonds mature in whole or in part after any such terminations, and are attributable to capacity then allocated to the Participating Trust, then the Authority shall, subject to change by the Board of Directors, in its sole discretion, include in rates applicable to the Participating Trust, during the period between the date notice of termination is given and the effective date of termination, amounts sufficient to provide for the payment of the principal of, redemption premium, if any, and interest on such Bonds to the extent allocated by the Authority to the Participating Trust. Such rate adjustment, if any, applicable to the Participating Trust shall not exceed the Participating Trust's load ratio share of such capacity allocated to the Participating Trust, determined on a capacity basis compared to the sum of the Participating Trust and all other Participating Trusts. Such rates may or may not be the same as the rates applicable to other Participating Trusts.

D. Rate Covenant

Each Participating Trust has agreed to maintain rates for electric power and energy to its consumers which will provide revenues, which, together with other funds estimated to be available, will be sufficient

to meet its obligations to the Authority under its Power Sales Contract and all other operating expenses of its electric system or integrated utility system, and to pay all obligations from, or constituting a charge or lien on, the revenues of its electric system or integrated utility system. However, nothing in the Power Sales Contract shall be construed to diminish or surrender the power of a city to regulate charges for public services rendered by the respective Participating Trust.

E. Restrictions on Disposition of Electrical System, Sales for Resale, Other Obligations

Each Participating Trust has agreed that it will not sell, lease or otherwise dispose of all or substantially all of its electrical system except on 90 days' prior written notice to the Authority and unless all of the following conditions are met. The Participating Trust must assign the Power Sales Contract to the entity acquiring or leasing the system and such entity must assume the obligations of the Participating Trust under the Power Sales Contract. To the extent necessary to reflect the assignment and assumption, the Authority and such entity must enter into an agreement supplemental to the Power Sales Contract to clarify the terms on which power and energy are to be sold under the Power Sales Contract to such entity. The senior debt of such entity must be rated in one of the three highest whole rating categories by a nationally-recognized bond rating agency. The Authority must determine that the sale, lease or other disposition will not adversely affect the value of the Power Sales Contract as security for the payment of the Authority's bonds or affect the eligibility of interest on the Authority's bonds for federal tax-exempt status.

A Participating Trust may not sell at wholesale any electric power and energy delivered to it under its Power Sales Contract to any customer for resale, unless such resale is approved by the Authority.

If a Participating Trust proposes to issue bonds, notes or other evidences of obligations payable from and secured by the revenues of its electric system, or other integrated utility system of the Participating Trust of which the electric system is a part, other than any being issued to the Farmers Home Administration ("FmHA") or any successor agency or instrumentality or to any other agency or instrumentality of the United States pursuant to a program similar to the FMHA Community Facility loan program (collectively, "Revenue Bonds"), it shall comply with the following provisions. The Participating Trust agrees that in no event shall it issue any Revenue Bonds which are payable from revenues derived in whole or in part from its electric system or such integrated utility system superior to the payment of operating expenses unless an independent consulting engineer or engineering firm or corporation experienced in analyzing the operations of electric utility systems certifies that the revenues of the electric system or such integrated utility system forecasted for each of the next three years, together with other funds estimated to be available, shall be at least equal to the forecasted sum of (i) 125% of the principal of and interest (excluding capitalized interest) on the Revenue Bonds coming due in such year plus (ii) operating expenses of the electric system or such integrated utility system for such year.

F. Remedies

Upon failure of a Participating Trust to make any payment in full when due under its Power Sales Contract, the Authority may take all steps available to it under applicable law to collect such amount and, after giving 15 days' advance notice in writing of its intention to do so, discontinue service under the Power Sales Contract. The Authority may, whenever any amount due remains unpaid for 120 or more days after the due date and after giving 30 days' advance notice in writing of its intention to do so, terminate the Power Sales Contract. No such discontinuance or termination shall relieve a Participating Trust from liability for payment for electrical power and energy furnished under its Power Sales Contract.

G. Retail Distributed Generation Program

In response to increasing requests from Participating Trusts' retail customers, the Authority implemented a Distributed Generation Program effective June 14, 2012, which allows Participating Trusts to purchase distributed generation from their retail customers. The Program is voluntary on the part of the Participating Trusts, and the guidelines of the Program allow for only a "de minimis" amount of energy to be purchased through the Program by limiting the amount of aggregate capacity to the greater of (5) 5% of the average of the Public Trust's peak demand for the preceding three years, or (2) 50 kW. Available resources are limited to renewable energy resources such as wind, hydro, biomass, solar, and battery storage. In order to participate in the Program, a Participating Trust is required to execute an amendment to the Power Sales Contract. The Authority developed a "Toolkit" for Participating Trusts to use in preparing for retail behind-the-meter generation. To date, thirty-two (32) Participating Trusts, Altus, Blackwell, Comanche, Copan, Cordell, Edmond, Fairview, Frederick, Fort Supply, Geary, Goltry, Kingfisher, Lexington, Mangum, Manitou, Marlow, Newkirk, Okeene, Orlando, Pawhuska, Perry, Ponca City, Prague, Purcell, Spiro, Tecumseh, Tonkawa, Walters, Watonga, Waynoka, Wynnewood, and Yale have elected to participate in the Program.

APPENDIX E
SUMMARY OF CERTAIN PROVISIONS OF THE DOLET HILLS AGREEMENT, THE
PIRKEY AGREEMENT, THE MCCLAIN AGREEMENT, THE RED BUD AGREEMENT, THE
TURK AGREEMENT AND THE UNIT POWER AGREEMENT

**The following are summaries of certain provisions of (i) the Agreement For Assignment of an Undivided Ownership Interest in the Dolet Hills Unit No. 1, between Southwestern Electric Power Company ("SWEPCO") and the Authority and the Assignment of an Undivided Ownership Interest between SWEPCO and the Authority (collectively, the "Dolet Hills Agreement"), (ii) the Henry W. Pirkey Unit No. 1 Ownership, Construction and Operating Agreement between SWEPCO and the Authority and the Supplemental Agreement relating to Henry W. Pirkey Unit No. 1 Ownership, Construction and Operating Agreement between SWEPCO and the Authority (collectively, the "Pirkey Agreement"), (iii) the Asset Purchase Agreement (the "Asset Purchase Agreement") between Duke Energy McClain, LLC ("Duke Energy") and the Authority, and the Ownership and Operation Agreement (the "Ownership and Operation Agreement") between Oklahoma Gas & Electric Company ("OG&E") and the Authority (the Asset Purchase Agreement and the Ownership and Operation Agreement are hereinafter collectively referred to as the "McClain Agreement"), (iv) the Unit Power Sales Agreement between Grand River Dam Authority ("GRDA") and the Authority (the "Unit Power Agreement"), (v) the Purchase and Sale Agreement between OG&E and Redbud Energy LLC and the Asset Purchase Agreement and the Ownership and Operating Agreement, each between OG&E, GRDA and the Authority, and (vii) the Construction, Ownership and Operating Agreement by and among SWEPCO, East Texas Electric Cooperative ("ETEC"), Arkansas Electric Cooperative Corporation ("AECC") and the Authority (the "Turk Agreement"). Capitalized terms not otherwise defined herein have the meanings set forth in the respective documents.

The summaries do not purport to be complete descriptions of the above mentioned agreements and, accordingly, are qualified by reference thereto. A copy of the above mentioned agreements may be obtained from the Authority.

I. The Dolet Hills Agreement

A. General

The Dolet Hills Agreement provides for, among other things, the assignment by SWEPCO to the Authority of an undivided ownership interest in the Dolet Hills Project, which includes Dolet Hills Unit No. 1 ("Dolet Hills Unit No. 1"), a lignite-fired steam-electric generating unit (excluding pollution control facilities) which was placed in commercial operation in April 1986, the boiler, cooling facilities, related property, the land on which Dolet Hills Unit No. 1 rests and certain intangible rights associated with the Dolet Hills Project.

Pursuant to the Dolet Hills Agreement, the Authority acquired from SWEPCO, and is obligated in respect of, a percentage undivided ownership interest of 3.906%, SWEPCO retained a percentage undivided ownership interest of 46.094%, and Central Louisiana Electric Company, Inc. ("CLECO") retained a percentage undivided ownership interest of 50% in the Dolet Hills Project. On December 19, 1985, SWEPCO sold a 5.860% undivided ownership interest in the Dolet Hills Project to Northeast Texas Electric Cooperative, Inc. ("NTEC"). CLECO previously acquired its percentage ownership interest pursuant to the Dolet Hills Power Station Ownership, Construction and Operating Agreement, as supplemented, between SWEPCO and CLECO (the "SWEPCO-CLECO Agreement") (the Authority, CLECO, SWEPCO and NTEC being herein referred to as the "Co-Owners" and their respective percentage ownership interests in the Dolet Hills Project being herein referred to as their "Ownership Percentages"). Pursuant to the Dolet Hills Agreement, the Authority also acquired a right to 3.906% of the lignite delivered for Dolet Hills 1 from a specified area (the "Lignite Rights").

The Dolet Hills Plant ceased operation on December 31, 2021, and is undergoing decommissioning activities. The associated lignite mines have also ceased operation and are undergoing reclamation activities. Previously, the Authority established a Decommissioning Fund to cover its share of expenses related to the decommissioning of the plant and mines. The Authority's Board of Directors approved an annual collection in rates of \$1.25 million to maintain and grow the fund.

II. The Pirkey Agreement

A. General

The Pirkey Agreement provides for, among other things, the sale by SWEPCO to the Authority of an undivided ownership interest in Henry W. Pirkey Unit No. 1 (the "Pirkey Project") which includes (i) a 640 MW lignite-fired-steam electric generating unit placed in commercial operation in January 1985, (ii) the land and facilities required for operation of the Pirkey Project, (iii) the Common Facilities, which will be common to any other unit constructed on or adjacent to the land required for operation of the Pirkey Project, and (iv) certain Lignite Reserves.

Pursuant to the Pirkey Agreement, the Authority acquired from SWEPCO, and is obligated in respect of, a percentage undivided ownership interest of 2.344%, SWEPCO retains a percentage undivided ownership interest of 85.936% and NTEC retains a percentage undivided ownership interest of 11.72% in the Pirkey Project (collectively, the "Ownership Percentages" and the Authority, SWEPCO and NTEC being herein collectively referred to as the "Co-Owners"). NTEC previously acquired its Ownership Percentage pursuant to the Ownership, Construction and Operating Agreement, dated as of April 8, 1982, as amended, between SWEPCO and NTEC (the "SWEPCO-NTEC Agreement").

The Pirkey Plant ceased operation on March 31, 2023, and is undergoing decommissioning activities. The associated lignite mines have also ceased operation and are undergoing reclamation activities. Previously, the Authority established a Decommissioning Fund to cover its share of expenses related to the decommissioning of the plant and mines. The Authority's Board of Directors approved an annual collection in rates of \$1.25 million to maintain and grow the fund.

III. The McClain Agreement

A. General

The Asset Purchase Agreement provided for, among other things, the acquisition by the Authority from Duke Energy of a 23% undivided ownership interest in the power plant now known as the McClain Generating Facility, an approximately 478 MW (winter rating 520 MW) natural gas-fired combined cycle generating facility located in McClain County, Oklahoma, including real and personal property, certain related contracts and transferable permits.

B. Purchase of Undivided Ownership Interest

The Closing. At a closing held on March 1, 2001, the Authority purchased its Ownership Percentage in the McClain Generating Facility from Duke Energy. The purchase price paid by the Authority for its interest in the McClain Generating Facility was its Ownership Percentage of all real property, inventory, tangible personal property, business contracts, transferable permits, power plant books and records, and warranty and damage payments. The Authority's acquisition of its interest in the McClain Generating Facility entitles the Authority to schedule and receive its Ownership Percentage of the net available output, net generating capability and ancillary services generated by the McClain Generating Facility as available from time to time after the closing date.

Sales of Ownership Interest. In August 2001, Duke Energy sold its entire ownership interest in the McClain Generating Facility to NRG McClain LLC (“NRG”) and NRG assumed the Ownership and Operation Agreement initially entered into between Duke Energy and the Authority. In July 2004, NRG sold its entire 77% ownership interest in the McClain Generating Facility to OG&E and OG&E concurrently entered into the Ownership and Operating Agreement with the Authority. OG&E and the Authority are currently the sole owners of the McClain Generating Facility.

C. Executive Committee; Operator

The Ownership and Operation Agreement establishes an Executive Committee, to which is delegated all decisions in respect of operating, maintaining, administering contracts relating to, improving and adding capital additions to the McClain Generating Facility. Unless otherwise agreed by the Executive Committee, day-to-day operation and maintenance will be performed by OG&E as operator (the “Operator”) under a Facility Operating Agreement. The rights and duties of the Operator shall be as set forth in the Operating and Maintenance Agreements as in effect from time to time. Certain matters relating to the major maintenance and repair of the McClain Generating Facility also may be subcontracted.

Under the Ownership and Operation Agreement, each owner has a vote on the Executive Committee proportionate to its percentage ownership interest in the McClain Generating Facility. With certain exceptions, decisions of the Executive Committee are required to be by vote of a majority of the aggregate ownership shares. Certain matters and items, including those found by an arbitrator to be or have been consistent with prudent operating practices, costs borne solely by another owner or the Operator individually, and items recommended by the chairman of the Executive Committee or the Operator having a total cost to all owners in the aggregate of less than \$70,000, must be approved. Certain matters require a vote of 85% (supermajority) of the aggregate ownership shares, including (i) except to the extent that the then current Facility Operating Agreement otherwise provides, (A) the termination of the Facility Operating Agreement, (B) any material amendment to the Facility Operating Agreement, (C) any material amendment with respect to the aggregate non-cost based compensation provided for under the operations and maintenance subcontract, or (D) the approval of a new Facility Operating Agreement or the replacement or appointment of the Operator or, if applicable, the operations and maintenance subcontractor (such approval not to be unreasonably withheld or delayed by any owner, which approval of a proposed replacement Operator or operations and maintenance subcontractor shall not be withheld by any owner if such replacement Operator or operations and maintenance subcontractor is (1) a qualified operator of gas-fired combined cycle facilities with similar technology as the McClain Generating Facility, and (2) is capable of performing the obligations of the operations and maintenance subcontractor under the operations and maintenance subcontract); (ii) elective capital additions requiring a total cost to all owners in the aggregate in excess of \$10 million; (iii) a decision to settle third party claims where the uninsured portion of any such claim exceeds \$10 million; (iv) a decision to end McClain Generating Facility operations; and (v) proposals to change any of the provisions requiring supermajority vote.

Notwithstanding the foregoing, for as long as the Authority is an owner and finances or refinances the acquisition of its undivided ownership interest in the McClain Generating Facility with tax exempt financing, no Facility Operating Agreement shall include provisions which the Authority determines, on the basis of opinion of counsel, will adversely affect the exclusion from gross income, for federal income tax purposes, of the interest on securities issued or to be issued by the Authority in such financing or refinancing.

In the event that there are only two owners or, if there are more than two, one has an ownership share more than 50%, and a supermajority vote cannot be achieved on the matters summarized at clause (i) (D) or (ii) of the second preceding paragraph (but only if the elective capital additions benefit all owners proportionately), and if senior management of the owners cannot resolve the disagreement, any non-

defaulting owner may initiate a procedure whereby any owner or owners may offer to buy any other owner's respective ownership interest in the McClain Generating Facility, owners may counteroffer, and ultimately one or more owners may be required to sell their ownership interests to other owners, with the purchase price established pursuant to the offer-counteroffer process with no minimum price. If no owner initiates this procedure within the time limits provided, the dispute may be resolved by arbitration.

D. Obligation to Pay Operation and Maintenance Costs

Each owner is responsible for its ownership share of all costs of operation and maintenance (which excludes financing costs, taxes on income or assessed against an owner's ownership interest or share of net available output, or payments in lieu of taxes, and fuel costs) and its variable share of fuel costs, except to the extent otherwise agreed in a Facility Operating Agreement or as discussed below.

E. Fuel Acquisition

OG&E formerly was designated Delivery Point Operator for the McClain Generating Facility. As Delivery Point Operator, OG&E was required to acquire, nominate, schedule and allocate natural gas to the McClain Generating Facility, collectively for itself and as agent for the Authority. On April 29, 2014, OG&E and the Authority signed an agreement to cancel their prior agreement effective May 1, 2014, and thereupon the Authority began acquiring, nominating, scheduling and allocating natural gas to the McClain Generating Facility in its own name and on its own account under North American Energy Standards Board ("NAESB") contracts with counterparties in the open market.

F. Allocation of Net Available Output; Market Dispatch.

With the advent of the SPP Integrated Marketplace, effective March 1, 2014, OG&E is representing the McClain Generating Facility in the energy market as the market participant. The Authority and OG&E have agreed to a set of operating protocols that guide how the asset is offered into the market and settled between the two parties. The Authority participates with its full ownership share in the market.

G. Defaults

If a default is limited to a failure of the defaulting owner to make payments, the defaulting owner's ownership share of net available output may be sold during the period of default, for the benefit of the defaulting owner, to third parties or other owner(s) and the proceeds applied to the amounts owed by such owner; provided, that the non-defaulting owner(s) have no obligation to engage in any such sales. Payments not made when due may be advanced by the other owner(s) and, if so advanced, shall bear interest until paid. If a payment default (including accrued interest thereon) has not been brought current by the defaulting owner by the 90th day following the original due date, then, in lieu of receiving a cash payment from the defaulting owner therefor, any non-defaulting owner may elect to increase its respective ownership share (and the ownership share of the defaulting owner shall be correspondingly reduced) according to the following formula: increased interest equals SI multiplied by (A/TV), where SI is the defaulting owner's then current ownership share; A is the aggregate amount then owed by such defaulting owner; and TV is the product of such defaulting owner's then current ownership share multiplied by the total cost of the McClain Generating Facility.

If a default involves the failure of a defaulting owner to fulfill any covenant or to perform any other material obligation, the defaulting owner's ownership share of net available output may be used or sold by the non-defaulting owner(s) as it may in its sole discretion determine during the period of such default, and the value thereof, calculated as the variable cost of producing the energy actually generated from such net

available output, shall be credited to any actual damages incurred by the non-defaulting owner(s) as a result of such failure or non-performance.

In addition to the foregoing rights, any non-defaulting owner may seek injunctive relief, including specific performance, to enforce a defaulting owner's obligation under the Ownership and Operation Agreement; provided, that all claims to recover damages or payments on account of any default shall be resolved by arbitration.

IV. The Redbud Agreement

A. General

The Redbud Generating Facility ("Redbud") is a 1,230 MW natural gas fired, combined cycle electric generating plant located in central Oklahoma near Luther, Oklahoma. The plant has been operational since 2004 and, prior to purchase by the Authority, was under the ownership of Kelson Holdings, doing business at this plant as Redbud Energy, LLC ("Redbud LLC"). The Redbud project was purchased by a consortium of buyers including OG&E, GRDA, and OMPA.

B. Purchase and Sale Agreement

The Purchase and Sale Agreement ("PSA") was entered into by and between OG&E as purchaser and Redbud LLC as Seller, in December 2007. The PSA provided that Redbud would be purchased for the sum of \$852 million. The PSA further recited that OG&E would, promptly after closing of the PSA and the purchase of the Redbud LLC, dissolve the Redbud LLC and then sell undivided interests of all the assets of Redbud LLC to OMPA and GRDA pursuant to the Asset Purchase Agreement.

C. Asset Purchase Agreement

The Asset Purchase Agreement ("APA") was entered into by and among OG&E, GRDA and OMPA in January 2008. The APA recites that OG&E will purchase the Redbud LLC under the PSA and after becoming the 100% owner of the Redbud Generating Facility will promptly dissolve the Redbud LLC and then sell an undivided thirty six percent (36%) to GRDA for a sum equal to 36% of the PSA purchase price and an undivided thirteen percent (13%) to OMPA for a sum equal to 13% of the PSA purchase price. GRDA and OMPA agree to deposit their share of the required purchase price into an escrow account at least one business day prior to the estimated closing date of the PSA. This was completed as per the terms of the APA.

D. Ownership and Operating Agreement

The Ownership and Operating Agreement ("O&O") was entered on the 21st day of January, 2008, by and among OG&E, GRDA and OMPA. This O&O provides that the three owners shall own Redbud as tenants in common and the Operations Manager shall be OG&E. The Operations Manager shall operate Redbud in accordance with Prudent Utility Practices. Each owner shall be entitled to receive, schedule and dispatch its pro rata share of capacity and energy from Redbud. Each owner is responsible for the timely payment of its pro-rata share of all operating costs and capital additions. Each owner shall have one representative to the Executive Committee and each representative shall have a single vote equal to its ownership interest. The Executive Committee shall have the power to establish policies and procedures for the operation and maintenance of Redbud. Certain matters require the approval of a supermajority of members, including termination of Redbud operations.

E. Allocation of Net Available Output; Market Dispatch.

With the advent of the SPP Integrated Marketplace, effective March 1, 2014, OG&E is representing Redbud in the energy market as the market participant. The Authority and OG&E have agreed to a set of operating protocols that guide how the asset is offered into the market and settled between the two parties. The Authority participates with its full ownership share in the market.

V. The Unit Power Agreement

A. General

Under the Unit Power Agreement, GRDA sells to the Authority 20 MW of unit power and energy from GRDA's 62% ownership share of GRDA 2, a nominally rated 520 MW coal-fired steam electric generating unit near Chouteau, Oklahoma and placed in commercial operation in April 1986; provided, however, that such 20 MW shall be adjusted if that amount is less than 3.39% or more than 4.00% of the accredited net capability of GRDA 2 in megawatts. GRDA operates and maintains GRDA 2. While the Authority has received no official notice from GRDA, for planning purposes it is anticipating that GRDA 2 will be retired from service pre-summer of 2026.

B. Purchase of Unit Power

Under the Unit Power Agreement, the unit power and energy purchased by the Authority is supplied to the Authority by GRDA on the basis that it is continuously available except when GRDA 2 is temporarily out of service for maintenance or forced outage. If GRDA 2 is temporarily out of service for maintenance or forced outage, GRDA will deliver replacement energy to the Authority, if it can do so without jeopardizing sales to its other customers, at rates set forth in an exhibit to the Unit Power Agreement. GRDA may provide substitute energy from other sources if the cost of such substitute energy is no greater than the cost of GRDA 2 energy. Under the Unit Power Agreement, the Authority schedules unit power and energy in amounts up to its generation entitlement percentage of the maximum generating capacity of GRDA 2.

C. Obligation to Pay for Unit Power

As compensation for unit power and energy supplied by GRDA, the Authority pays monthly to GRDA the sum of the following: (1) the Authority's generation entitlement percentage of monthly fixed operating costs of GRDA 2; (2) the Authority's pro rata share of monthly debt service costs attributable to GRDA 2; (3) one-twelfth of an allowance for payment of annual debt service costs associated with common facilities constructed with GRDA 1 and allocable to GRDA 2; (4) the Authority's pro rata share of variable operating costs of GRDA 2; (5) the Authority's pro rata share of fuel costs of GRDA 2; (6) an amount equal to the cost of substitute energy delivered by GRDA to the Authority, if any; and (7) an amount equal to the cost of replacement energy delivered by GRDA to the Authority, if any.

D. Coordinating Committee

The Authority and GRDA have established a Coordinating Committee composed of one representative of the Authority and GRDA. All decisions made and directions given by the Coordinating Committee must be unanimous. In the event a unanimous vote cannot be had, the chief executives of the Authority and GRDA or their designated representatives will resolve the impasse.

The Coordinating Committee shall establish scheduling procedures, operating procedures and standard practices with respect to the Unit Power Agreement for the guidance of dispatchers and other

employees as to matters affecting interconnected operations and shall recommend arrangements for metering, communications, scheduling, dispatching and other services in connection with the Unit Power Agreement.

E. Ownership Option

The Authority has the option, subject to the consent of GRDA, to prepay certain costs and thereby become a joint owner of GRDA 2 under mutually agreeable terms and conditions to be negotiated.

VI. The Turk Agreement

A. General

The John W. Turk, Jr. Power Plant (“Turk”) is a nominal 650 MW (net) ultra-supercritical, coal-fired, baseload electric generating plant located in southwest Arkansas in Hempstead County, and was constructed and is co-owned and operated by SWEPCO. The Authority contracted for 6.667%, or 43 MW, of net output from the unit. Construction commenced in December of 2008 and achieved commercial operation on December 20, 2012.

B. Construction, Ownership and Operating Agreement

The Construction, Ownership and Operating Agreement (“COO”) was executed by the owners of the unit on December 13, 2007, and establishes the terms by which the unit will be constructed, operated and owned by the owners. The COO designates SWEPCO as the Construction Manager, Operations Manager, and the Project Manager. The Agreement establishes an Ownership Committee to facilitate effective communication and cooperation among the owners during construction and operation of the unit. SWEPCO will serve as the Chair of the Ownership Committee and all action taken by the committee must be by unanimous vote of all owners.

C. Fuel

The Operations Manager has sole and exclusive responsibility to obtain a fuel supply for the unit, rail cars and other equipment and contractual arrangements necessary for the transportation and storage of the fuel. AECC, ETEC or OMPA shall not have any ownership interest in the coal maintained on the Turk site or burned in the plant and shall not have an ownership interest, beneficial or otherwise, in any coal supply or transportation contracts entered into by the Operations Manager. The Operations Manager will bill the owners for their share of the fuel burned each month based upon the amount of energy taken by each owner during such month.

D. Obligation to Pay Capital, Operations, Maintenance and Fuel Costs

The Authority will be responsible for the timely payment of its (i) pro rata share of Operating Costs, (ii) pro rata share of the Costs of Capital Additions, (iii) pro rata share of SWEPCO carrying charge applied to such Operating Costs and Costs of Capital Additions, (iv) Variable Operating Share which shall be based upon the same allocation as the Owner’s Monthly Fuel Cost and (v) share of fuel costs as outlined in Exhibit F of the COO.

APPENDIX F

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

The following is a summary of certain provisions of the Resolution pursuant to which Bonds have been and may be issued. Certain other provisions of the Resolution are described elsewhere in the Official Statement to which this Appendix is attached (the “Official Statement”). Summaries of certain definitions contained in the Resolution are set forth below. Other terms defined in the Resolution for which summary definitions are not set forth are indicated by capitalization. The following summaries, together with the summaries of provisions included elsewhere in the Official Statement, do not purport to be a complete description of the terms of the Resolution and, accordingly, are qualified by reference thereto. Copies of the Resolution may be obtained from the Authority.

Definitions

The following are summaries of certain definitions in the Resolution:

Accrued Aggregate Debt Service means, as of any date of calculation, an amount equal to the sum of the amounts of accrued Debt Service with respect to all Series of Bonds, calculating accrued Debt Service with respect to each series at an amount equal to the sum of (1) interest on the Bonds of such series accrued and unpaid and to accrue (as estimated by the Authority) to the end of the then current calendar month and (2) Principal Installments due and unpaid and that portion of the Principal Installment for such series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month. Principal Installments which are Refundable Principal Installments are excluded from the calculation.

Adjusted Aggregate Debt Service for any period means, as of any date of calculation, the Aggregate Debt Service for such period except that, if any Refundable Principal Installment for any Series of Bonds is included in Aggregate Debt Service for such period, Adjusted Aggregate Debt Service will be determined as if each such Refundable Principal Installment had been payable, over a period extending from the due date of such Principal Installment through the later of the 35th anniversary of the issuance of such Series of Bonds or the 10th anniversary of the due date of such Principal Installment, in installments which would have required equal annual payments of principal and interest over such period. Interest deemed payable in any Fiscal Year after the actual due date of any Refundable Principal Installment of any Series of Bonds shall be calculated at the average rate of interest actually payable on the Bonds of such Series at the time the calculation is made (using the true, actuarial method of calculation) or such higher rate as the Authority determines appropriate.

Aggregate Debt Service for any period means, as of any date of calculation, the sum of the amounts of Debt Service on Bonds of all Series due and payable during such period; provided, however, that for purposes of estimating Aggregate Debt Service for any future period, any Option Bonds Outstanding during such period shall be assumed to mature on the stated maturity date thereof.

Cost of Acquisition and Construction, with respect to any part of the System, shall mean the Authority’s costs, expenses and liabilities paid or incurred or to be paid or incurred by the Authority in connection with the planning, engineering, designing, acquiring, constructing, installing, financing, operating, maintaining, retiring, decommissioning and disposing of any part thereof and the obtaining of all governmental approvals, certificates, permits and licenses with respect thereto.

Credit Obligation means any obligation of the Authority under a contract, having a term in excess of five years, to make payments for power and energy whether or not such power and energy is made

available, but only to the extent such obligation is payable from any fund or account created under the Resolution.

Debt Service, for any period, as of any date of calculation and with respect to any Series of Bonds, means an amount equal to the sum of (1) interest accruing during such period with respect to Bonds of such Series (except interest to be paid from proceeds of Bonds or Subordinated Indebtedness as provided in the Resolution) and (2) that portion of each Principal Installment for such Series which would accrue during such period if such Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there be no such preceding Principal Installment due date or the next preceding Principal Installment due date is more than one year prior to the due date of such Principal Installment, then from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever is later).

Debt Service Reserve Requirement means, as of any date of calculation, an amount equal to one half of the maximum Adjusted Aggregate Debt Service coming due on Bonds then Outstanding in the then current or any future calendar year excluding interest to be paid from deposits in the Debt Service Account in the Debt Service Fund made from proceeds of Bonds or Subordinated Indebtedness (including amounts, if any, transferred thereto from the Construction Fund). For the purposes of this definition, any Bonds Outstanding which bear interest at a variable rate will be assumed to bear interest at a constant rate equal to the rate borne by such Bonds on the date they are issued plus one-half the difference between such rate and the maximum rate permitted by the terms thereof.

Investment Securities means and includes any of the following securities, if and to the extent the same are at the time legal for investment of Authority funds:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any of the Federal agencies set forth in clause (iii) below to the extent unconditionally guaranteed by the United States of America and any certificates or any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this clause (i);

(ii) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (a) which are (x) not callable prior to maturity or (y) as to which irrevocable instructions have been given to the trustee of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (b) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (ii) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (ii), as appropriate, and any certificates or any other evidences of an ownership interest in obligations or specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this clause (ii);

(iii) bonds, debentures, or other evidences of indebtedness issued or guaranteed by any agency or corporation which has been or may hereafter be created pursuant to an Act of Congress as an agency or instrumentality of the United States of America;

(iv) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(v) obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state, provided that at the time of their purchase under the Resolution such obligations are rated by a nationally recognized bond rating agency in either of its two highest rating categories;

(vi) certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States or any national banking association (including the Trustee), which is a member of the Federal Deposit Insurance Corporation and savings and loans associations which are members of the Federal Savings and Loan Insurance Corporation, provided that the aggregate principal amount of all certificates of deposit issued by any such bank, trust company, national banking association or savings and loan association which are purchased with moneys held in any Fund under the Resolution shall not exceed at any time 5% of the total of the capital, surplus and undivided earnings of such bank, trust company, national banking association or savings and loan association unless such certificates of deposit are (1) fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or (2) secured, to the extent not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation by such securities as are described in clauses (i) through (v), inclusive, above having a market value (exclusive of accrued interest other than accrued interest paid in connection with the purchase of such securities) at least equal to the principal amount of such certificates of deposit (or portion thereof not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation) which shall be lodged with the Trustee or a Depositary, as custodian, by such bank, trust company, national banking association or savings and loan association, and such bank, trust company, national banking association or savings and loan association shall furnish the Trustee with an undertaking satisfactory to it that the aggregate market value of all such obligations securing such certificates of deposit will at all times be an amount which meets the requirements of this clause (2) and the Trustee shall be entitled to rely on each such undertaking;

(vii) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by any corporation which are, at the time of purchase, rated by a nationally recognized rating agency in its highest rating category, and by at least one other nationally recognized rating agency in either of its two highest rating categories, for comparable types of debt obligations;

(viii) any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association (which may include the Trustee) or government bond dealer reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York, if the securities which are the subject of such agreement are any or one or more of the securities described in clauses (i), (ii), (iii), (iv), (vi) or (vii) above which securities shall at all times have a market value not less than the full amount of the repurchase agreement; and

(ix) interests in a portfolio of money market instruments containing obligations described in clauses (i), (vi), (vii) or (viii) above.

Net Revenues for any period mean the Revenues during such period, determined on an accrual basis, plus (x) the amounts, if any, paid from the Rate Stabilization Account in the Revenue Fund into the Revenue Account in the Revenue Fund during such period (excluding from (x) amounts included in the Revenues for such period representing interest earnings transferred from the Rate Stabilization Account in the Revenue Fund to the Revenue Account in the Revenue Fund) and minus (y) the sum of (a) Operation and Maintenance Expenses during such period, determined on an accrual basis, to the extent paid or to be paid from Revenues and (b) the amounts, if any, paid from the Revenue Account in the Revenue Fund into the Rate Stabilization Account in the Revenue Fund during such period.

Operation and Maintenance Expenses mean all the Authority's costs and expenses for operation, maintenance, and ordinary repairs, renewals and replacements of the System, including all costs of producing and delivering electric power and energy from the System and payments into reserves in the Operation and Maintenance Fund for items of Operation and Maintenance Expenses the payment of which is not immediately required.

Refundable Principal Installment means any Principal Installment for any Series of Bonds which the Authority intends to pay with moneys which are not Revenues.

Revenues mean (i) all revenues, income, rents and receipts derived by the Authority from or attributable to the ownership and operation of the System, including all revenues attributable to the System or to the payment of the costs thereof received by the Authority under any contract for the sale of power, energy, transmission or other service from the System or any part thereof or any contractual arrangement with respect to the use of the System or any portion thereof or the services, output or capacity thereof, (ii) the proceeds of any insurance covering business interruption loss relating to the System, and (iii) interest received on any moneys or securities held pursuant to the Resolution and paid or required to be paid into the Revenue Account in the Revenue Fund.

System means all properties and interests in properties of the Authority, including all electric production, transmission, distribution, general plant and other related facilities and any mine, well, pipeline, plant, structure or other facility for the development, production, manufacture, transportation, storage, fabrication or processing of fossil, nuclear or other fuel of any kind, or any facility or rights with respect to the supply of water, in each case for use, in whole or in major part, in any of the Authority's generating plants, now existing and hereafter acquired by lease, contract, purchase or otherwise or constructed by the Authority, including any interest or participation of the Authority in any such facilities, together with all additions, betterments, extensions and improvements to said system or any part thereof hereafter made and together with all lands, easements, licenses and rights of way of the Authority and all other works, property or structures of the Authority and rights to the use of any thereof or the output, products or services therefrom or other contract rights, including, without limitation, rights for the purchase of power and energy, transmission or other services from others, and other tangible and intangible assets of the Authority used or useful in connection with or related to said system. Notwithstanding the foregoing definition of the term System, such term shall not include any properties or interests in properties of the Authority which the Authority determines shall not constitute a part of the System for the purpose of the Resolution.

Under the Resolution, the Authority has covenanted that it will not make any determination, pursuant to the second sentence of the foregoing definition of the term System and the same definition of such term in the Power Sales Contracts, that any properties or interests in properties do not constitute a part of the System for the purposes of the Resolution or the Power Sales Contracts unless either (a) such determination is made prior to the acquisition of such properties or interests in properties or (b) such determination is made in accordance with the covenant described below under "Certain Other Covenants—Disposition of System."

Application of Revenues

The Trust Estate is pledged by the Resolution to payment of principal of and interest and redemption premium on the Bonds of all Series, subject to the provisions of the Resolution permitting application for other purposes. For the application of Revenues, the Resolution establishes a Revenue Fund, an Operation and Maintenance Fund, a Reserve and Contingency Fund and a General Reserve Fund, held by the Authority, a Debt Service Fund held by the Trustee, and a Subordinated Indebtedness Fund to be held as provided in the Supplemental Resolution providing for the issuance of Subordinated Indebtedness. The Resolution also provides for the establishment of a Decommissioning Fund. If and when established, the Decommissioning Fund will not be pledged as security for the Bonds.

Pursuant to the Resolution, all Revenues of the Authority and amounts transferred from any other fund are to be deposited into the Revenue Account in the Revenue Fund as received, and in any event within ten days after receipt. Each month the Authority is to make transfers from the Revenue Account to the Rate Stabilization Account (also in the Revenue Fund), or from the Rate Stabilization Account to the Revenue Account, in accordance with the then current Annual Budget or as otherwise determined by the Authority. The Authority shall transfer from the Revenue Account in the Revenue Fund to the following Funds and Accounts in the following order the amounts set forth below, such application to be made in such a manner so as to assure good funds in such Funds and Accounts when needed for the purposes thereof:

1. To the Operation and Maintenance Account and the Working Capital Account in the Operation and Maintenance Fund, the respective amounts required to provide for Operation and Maintenance Expenses estimated to be paid through the next month and estimated working capital required for the next month and, in the case of the Working Capital Account, such additional amounts, for long-term purposes, as the Annual Budget shall require to be deposited in such Account. Amounts which the Authority determines to be excess in the Operation and Maintenance Account and the Working Capital Account are to be applied by the Trustee in the same manner as Revenues.

Credit Obligations may be paid as Operation and Maintenance Expenses, but only if at the time the Authority enters into the contract relating to such Credit Obligation the Authority files with the Trustee a certificate of an Authorized Officer of the Authority setting forth (i) for any period of 12 consecutive calendar months within the 24 calendar months preceding the effective date of such contract, the Net Revenues for such period, and (ii) the Aggregate Debt Service during the period for which Net Revenues are set out pursuant to (i) with respect to all Series of Bonds which were then Outstanding excluding from Aggregate Debt Service any Principal Installment or portion thereof which was paid from sources other than Revenues, and showing the amount set forth in (i) is at least 1.10 times the amount set forth in (ii).

2. To the Debt Service Account and the Debt Service Reserve Account in the Debt Service Fund, the respective amounts required so that the balances in such Accounts equal the Accrued Aggregate Debt Service and the Debt Service Reserve Requirement, respectively. Any deficiencies in the Debt Service Reserve Account, other than a deficiency resulting from a transfer of moneys from such Account to the Debt Service Account, shall be cured by equal monthly deposits over the twelve months following the determination of the deficiency; provided, however, the Authority may defer monthly transfers to the Debt Service Fund and make one or more transfers equaling the aggregate amount of those not made no later than the time the next payment is required to be made from the Debt Service Account. Deposits required following a subsequent valuation of investment securities in the Debt Service Reserve Account during such calendar year will be based upon such subsequent valuation.

Amounts in the Debt Service Account are applied by the Trustee to pay the principal or redemption price of and interest on the Bonds. In addition, the Trustee may, and if directed by the Authority must, apply such amounts to the purchase or redemption of Bonds to satisfy sinking fund requirements.

Amounts in the Debt Service Reserve Account are applied to make up any deficiency in the Debt Service Account. Whenever the amount in the Debt Service Reserve Account, together with the amount in the Debt Service Account, is sufficient to pay in full all Outstanding Bonds in accordance with their terms, the funds on deposit in the Debt Service Reserve Account will be transferred to the Debt Service Account. When moneys on deposit in the Debt Service Reserve Account exceed the Debt Service Reserve Requirement, the excess will, upon request of the Authority, be applied by the Trustee to make up deficiencies in other accounts.

In lieu of the required transfers of moneys to the Debt Service Reserve Account, the Authority may cause to be deposited into the Debt Service Reserve Account for the benefit of the holders of the Bonds an irrevocable surety bond, an insurance policy, a letter of credit or any other similar obligation in an amount equal to the difference between the Debt Service Reserve Requirement and the sums of the moneys or value of Investment Securities then on deposit in the Debt Service Reserve Account, if any.

In the event of the refunding of any Bonds, all or any portion of amounts accumulated in the Debt Service Reserve Account with respect to the Bonds being refunded may be withdrawn for the payment of the principal or Redemption Price, if applicable, and interest on the Bonds being refunded; provided that such withdrawal shall not be made unless (a) immediately thereafter the Bonds being refunded shall no longer be Outstanding under the Resolution and (b) the amount remaining in the Debt Service Reserve Account, after giving effect to any surety bond, insurance policy, letter of credit or other similar obligation deposited in such Account, after such withdrawal shall not be less than the Debt Service Reserve Requirement.

3. To the Subordinated Indebtedness Fund, the amounts required to pay principal or sinking fund installments of and premiums, if any, and interest on each issue of Subordinated Indebtedness of the Authority due in such month and reserves therefor as required by the Supplemental Resolution authorizing such Subordinated Indebtedness. However, if at any time there is a deficiency in the Debt Service Account or the Debt Service Reserve Account and the available funds in the General Reserve Fund or the Reserve and Contingency Fund are insufficient to cure such deficiency, the Trustee will transfer from the Subordinated Indebtedness Fund the amount sufficient to cure such deficiency; provided, however, that (i) amounts on deposit in any debt service reserve established for such Subordinated Indebtedness shall not be subject to such withdrawal and (ii) any debt service reserve established for such Subordinated Indebtedness shall not be subject to the security interest in and pledge of the Trust Estate created by the Resolution as security for the Bonds.

4. To the Reserve and Contingency Fund, the amount budgeted by the Authority for such Fund for the current month. Amounts in the Reserve and Contingency Fund are for the payment of Development Costs and costs of major repairs, renewals and improvements to the Authority's System and for the payment of extraordinary operation and maintenance expenses and contingencies to the extent payment therefor has not been provided for in the annual budget of the Authority, by reserves credited to the Operation and Maintenance Fund or from Bond proceeds.

If at any time the amounts in the Debt Service Account or in the Debt Service Reserve Account are less than the amounts required by the Resolution, and there are not on deposit in the General Reserve Fund available funds sufficient to cure such deficiency, then the Authority will transfer from the Reserve and Contingency Fund to the Trustee the amount necessary to make up such deficiency.

Amounts in the Reserve and Contingency Fund not required for any of the above purposes may be transferred to the Decommissioning Fund, if theretofore established, or to the General Reserve Fund.

5. To the General Reserve Fund, the balance, if any, in the Revenue Account. The Authority will transfer from the General Reserve Fund amounts in the following order of priority: (a) to the Debt Service Account and the Debt Service Reserve Account, in that order, the amount necessary to make up any deficiencies in payments to said Accounts, (b) to the Debt Service Reserve Account the amount of any deficiency in such Account resulting from any transfer to the Debt Service Account, and (c) to the Reserve and Contingency Fund the amount necessary to make up any deficiencies in payments to said Fund. Amounts in the General Reserve Fund which are not needed for the foregoing purposes may, upon the direction of the Authority, be used for certain enumerated purposes and other lawful purposes of the Authority not prohibited by the Resolution.

Construction Fund

The Resolution establishes a Construction Fund, held by the Trustee, into which are paid amounts required by the provisions of the Resolution and any Supplemental Resolution and, at the option of the Authority, any moneys received for or in connection with the System by the Authority, unless required to be otherwise applied as provided in the Resolution. In addition, proceeds of insurance for physical loss or damage to the System, or of contractors' performance bonds, pertaining to the period of construction will be paid into the Construction Fund.

Upon requisition of the Authority, the Trustee will pay from the Construction Fund amounts in payment of the Cost of Acquisition and Construction of the facilities financed by the issuance of a Series of Bonds. A revolving fund of up to \$2,500,000 is established for convenient payment by the Authority of certain items of Cost of Acquisition and Construction which are not appropriately handled by requisition from the Trustee. Amounts in the Construction Fund which the Authority at any time determines to be in excess of the amounts required for the purposes thereof are to be transferred to the Debt Service Reserve Account, to the extent necessary for the funds in such account to equal the Debt Service Reserve Requirement, and the balance is to be paid to the Authority for credit to the General Reserve Fund. To the extent that other moneys are not available therefor, amounts in the Construction Fund will be applied to the payment of principal of and interest on Bonds when due.

The Authority may discontinue its participation in the acquisition or construction of facilities financed by the issuance of a Series of Bonds if the Board of Directors of the Authority determines that to do so is necessary or desirable in the conduct of the business of the Authority and not disadvantageous to Bondholders.

Investment of Certain Funds and Accounts

The Resolution provides that certain Funds and Accounts held thereunder may, and in the case of the Debt Service Account and the Debt Service Reserve Account in the Debt Service Fund and the Subordinated Indebtedness Fund (subject to the terms of any resolutions, indentures, or other instruments securing any issue of Subordinated Indebtedness) must, be invested to the fullest extent practicable in Investment Securities. The Resolution provides that such investments will mature no later than such times as necessary to provide moneys when needed for payments from such Fund and Accounts. Investment Securities are to be valued as of each December 31 and at such other times as the Authority shall determine. Investment Securities are to be valued at the amortized cost or the market value thereof, whichever is lower, except that Investment Securities maturing in less than five years after the date of valuation are to be valued at the amortized cost thereof.

Unless otherwise determined by the Authority, net interest earned on any moneys or investments in such Funds or Accounts, other than the Construction Fund, is to be paid into the Revenue Account in the Revenue Fund and interest on moneys or investments in the Construction Fund is to be held in such Fund.

Additional Bonds; Conditions to Issuance

The Authority may issue Additional Bonds for the purpose of paying all or a portion of the cost of Acquisition and Construction of the System or for the purpose of refunding Outstanding Bonds. All Series of such Additional Bonds will be payable from the same sources and secured on a parity with all other Outstanding Bonds. Set forth below are certain conditions applicable to the issuance of Additional Bonds.

Historical Debt Service Coverage. The issuance of any Series of Additional Bonds (except for refunding Bonds) is conditioned upon the delivery of a certificate to the Trustee by the Authority to the effect that, for any period of 12 consecutive months within the 24 months preceding the issuance of Bonds of such series, Net Revenues were at least equal to 1.10 times Aggregate Debt Service during such period, excluding for this purpose principal of any Bonds which was paid from sources other than Revenues.

Debt Service Reserve Requirement. The issuance of any Series of Additional Bonds is further conditioned upon the deposit of an amount in the Debt Service Reserve Account such that the balance in such Account, after giving effect to any irrevocable surety bond, insurance policy, letter of credit or other similar obligation deposited in such Account, equals the Debt Service Reserve Requirement calculated immediately after delivery of such Bonds.

No Default. In addition, Additional Bonds (other than refunding Bonds) may be issued only if the Authority certifies that no event of default exists under the Resolution or that any such event of default will be cured through application of the proceeds of such Bonds.

Subordinated Indebtedness

The Authority may issue Subordinated Indebtedness payable out of and secured by amounts in the Subordinated Indebtedness Fund or the General Reserve Fund.

Issuance of Other Indebtedness

The Resolution does not restrict the issuance by the Authority of other indebtedness to finance facilities which are not a part of the Authority's System. Such indebtedness may be secured by a mortgage of the facility so financed or a pledge of the revenues therefrom. No such indebtedness may be payable out of or secured by the Trust Estate.

Covenant as to Rents, Rates and Other Charges

Under the Resolution, the Authority has covenanted that it will establish and collect rents, rates and charges under the Power Sales Contracts and shall otherwise charge and collect rents, rates, and charges for the use or sale of the output, capacity or service of the System which, together with other available Revenues, are reasonably expected to yield Net Revenues for the 12-month period commencing with the effective date of such rents, rates and charges equal to at least 1.10 times the Aggregate Debt Service for such period and, in any event, as are required, together with other available funds, to pay or discharge all other indebtedness, charges and liens payable out of Revenues under the Resolution. For purposes of this covenant, amounts required to pay Refundable Principal Installments may be excluded from Aggregate Debt Service to the extent that the Authority intends to make such payment from sources other than Revenues. Promptly upon any material change in the circumstances contemplated when such rents, rates and charges were most recently reviewed, but not less frequently than once every 12 months, the Authority is required to review the rents, rates and charges so established and promptly to revise such rents, rates and charges as necessary to comply with the foregoing requirements, provided that such rents, rates and charges

must in any event produce moneys sufficient to enable the Authority to comply with all its covenants under the Resolution.

Certain Other Covenants

Creation of Liens. The Authority will not issue any bonds, notes, debentures or other evidences of similar nature, other than the Bonds, payable out of or secured by the Trust Estate or other moneys, securities or funds held or set aside under the Resolution nor will it create any lien or charge thereon, except (1) evidences of obligations (a) payable out of moneys in the Construction Fund as part of the Cost of Acquisition and Construction of the System or (b) payable out of, or secured by a security interest in or pledge or assignment of, Revenues to be received after the discharge of the lien on such Revenues provided in the Resolution or (2) Subordinated Indebtedness.

Disposition of System. Except as described in this paragraph, the Authority may not sell, lease, mortgage or otherwise dispose of any part of the System. The Authority may sell or exchange property or facilities of the System (a) which are not useful in its operations, or (b) the book value of which is not more than 1% of the book value of the assets of the System at such time or (c) as to which an Authorized Officer of the Authority sets forth a determination of the Authority's Board of Directors that the sale or exchange of such property will not impact the ability of the Authority to comply with the covenant as to rates and charges described above. The proceeds of any such sale or exchange not used to acquire other property for the System are to be deposited in the General Reserve Fund. If certain conditions are satisfied, the Authority also may lease or make contracts or grant licenses, easements or rights for the operation or use of or with respect to, any part of the System. Payments received by the Authority under any such arrangement will constitute Revenues.

Power Sales Contracts; Amendment. The Authority will collect and deposit in the Revenue Account in the Revenue Fund within ten days after receipt thereof all amounts payable to it pursuant to the Power Sales Contracts or any other contract for the sale or use of output, capacity or other service from the System or any part thereof. The Authority will enforce the provisions of the Power Sales Contracts and duly perform its covenants and agreements thereunder and will not consent or agree to or permit any rescission of or amendment to any Power Sales Contract unless (i) such action will not impair the Authority's ability to comply with the covenant as to rates and charges set forth above, as evidenced by a certificate of an Authorized Officer of the Authority setting forth a determination of the Authority's Board of Directors, and (ii) such action will not have a material adverse effect on the interests of Bondholders as evidenced by a determination of the Authority's Board of Directors. For this purpose, an amendment will not be deemed to include the extension of the term of any Power Sales Contract, the change of the full requirement period of any Power Sales Contract, any change in or amendment to any schedule to any Power Sales Contract or any amendment to any Power Sales Contract to permit a public trust or eligible public agency to purchase from the Southwestern Power Administration and utilize in its municipal electric system additional capacity and related energy.

Insurance. Subject to the requirement that insurance is obtainable at reasonable rates and upon reasonable terms and conditions, the Authority will keep the properties of the System which are of an insurable nature and of the character usually insured by those operating properties similar to the System insured against loss or damage by fire and from other causes customarily insured against and in amounts usually obtained. Subject to such conditions, the Authority will also maintain such insurance or reserves against loss or damage from such hazards and risk to the person or property of others as are usually insured or reserved against by those operating properties similar to the properties of the System.

Reconstruction; Application of Insurance Proceeds. If any useful portion of the System is damaged or destroyed, the Authority will prosecute the reconstruction or replacement thereof, unless the

Authority in a certificate signed by an Authorized Officer of the Authority and filed with the Trustee determines that such reconstruction or replacement is not in the interests of the Authority and the Bondholders or unless it is determined under the provisions of any agreement relating to co-ownership of such portion of the System that such reconstruction or replacement is not to be undertaken. The proceeds of insurance paid on account of such damage or destruction will be used for the cost of such reconstruction or replacement, except proceeds of business interruption insurance which will be paid into the Revenue Account in the Revenue Fund.

Amendment of Resolution

The Resolution and the rights and obligations of the Authority and of the holders of the Bonds may be amended by a Supplemental Resolution with the written consent of the holders of a majority in principal amount in each case of (i) all Bonds then Outstanding, and (ii) in case less than all of the Series of Outstanding Bonds are affected, the Bonds of each Series so affected, and (iii) in case the modification or amendment changes the terms of any sinking fund installment, the Bonds of the particular Series and maturity entitled to the benefit of the sinking fund. No such modification or amendment may (A) permit a change in the terms of redemption or maturity or any installment of interest or a reduction in the principal, redemption price or rate of interest thereon without consent of each affected holder, or (B) reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment. For purposes of the foregoing, the holders of Bonds may include the initial holders thereof regardless of whether such Bonds are being held for subsequent resale.

The Resolution may be amended, with the consent of the Trustee but without the consent of Bondholders, (i) to cure any ambiguity, omission, defect or inconsistent provision in the Resolution; (ii) to insert provisions clarifying the Resolution; or (iii) to make any other modification or amendment of the Resolution which the Trustee, in its sole discretion, determines will not have a material adverse effect on the interests of Bondholders.

Without the consent of the Bondholders or the Trustee, the Authority may adopt a Supplemental Resolution which (i) closes the Resolution against, or provides additional conditions to, the issuance of Bonds or other evidences of indebtedness; (ii) adds covenants and agreements of the Authority; (iii) adds limitations and restrictions to be observed by the Authority; (iv) authorizes Bonds of an additional series; (v) confirms any security interest, pledge or assignment of the Revenues or of any other moneys, securities or funds; (vi) makes any modification which is to be effective only after all Bonds of each Series Outstanding as of the date of the adoption of such Supplemental Resolution cease to be outstanding; and (vii) authorizes Subordinated Indebtedness.

Defeasance

The pledge of and security interest in the Trust Estate and all covenants, agreements and other obligations of the Authority to the holders of the Bonds under the Resolution will cease, terminate and become void and be discharged and satisfied whenever all Bonds have been paid in full. Bonds will be deemed to have been so paid whenever the following conditions are met: (a) in the case of Bonds to be redeemed prior to maturity, the Authority has given to the Trustee instructions to mail the notice of redemption therefor, (b) there have been deposited with the Trustee either moneys in an amount which will be sufficient, or Investment Securities (as described below), the principal of and the interest on which, when due, will provide moneys which, together with any moneys also deposited with the Trustee, will be sufficient, to pay when due the principal or redemption price, if applicable, and interest due or to become due on such Bonds, and (c) in the event such Bonds are not to be redeemed within the next succeeding 60 days, the Authority has given to the Trustee instructions to mail a notice to the holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to be

paid and stating the maturity or redemption date upon which moneys are to be available to pay the principal or redemption price, if applicable, on such Bonds. The Trustee will, as and to the extent necessary, apply moneys held by it as above described to the retirement of said Bonds in amounts equal to the unsatisfied balances of any sinking fund installments with respect to such Bonds, all in the manner provided in the Resolution.

If so directed by the Authority prior to (i) the maturity date of Bonds deemed to have been paid as described in the next preceding paragraph which are not to be redeemed prior to their maturity date or (ii) the mailing of the notice referred to in clause (a) above with respect to Bonds deemed to have been paid as described above which are to be redeemed prior to their maturity date, the Trustee is required to apply moneys deposited with it in respect of Bonds in accordance with clause (a) above and redeem or sell Investment Securities so deposited with it and apply the proceeds thereof to the purchase of such Bonds and the Bonds so purchased shall be immediately cancelled by the Trustee. No such Bonds shall be purchased unless the moneys and Investment Securities remaining on deposit with the Trustee after such purchase and cancellation would be sufficient to pay when due the Principal Installment or redemption price, if applicable, and interest due, or to become due, on all remaining Bonds in respect to which such moneys and Investment Securities are being held by the Trustee. If, at any time prior to the happening of the events described above, the Authority shall purchase or otherwise acquire any such Bonds and deliver such Bonds to the Trustee prior to their maturity date or redemption date, as the case may be, the Trustee shall immediately cancel all such Bonds so delivered. In the event that on any date as a result of any such purchases or deliveries and cancellations of Bonds the total amount of moneys and Investment Securities remaining on deposit with the Trustee is in excess of the total amount required to be deposited with the Trustee on such date in respect to the remaining Bonds in order to comply with clause (b) of the preceding paragraph, the Trustee shall, if requested by the Authority, pay the amount of such excess to the Authority free and clear of the pledge or lien of the Resolution.

For purposes of defeasance, Investment Securities mean (a) only such securities as are described in clauses (i), (ii), (iii) and (iv) of the definition of Investment Securities which are not subject to redemption prior to their maturity other than at the option of the holder thereof; (b) such securities as are described in clause (ii) of the definition of Investment Securities which are not subject to redemption prior to their maturity other than at the option of the holder thereof or as to which an irrevocable notice of redemption of such securities on a specified redemption date has been given and such securities are not otherwise subject to redemption prior to such specified date other than at the option of the holder thereof or (c) upon compliance with the provisions of the following paragraph, securities described in clause (i) of the definition of Investment Securities which are subject to redemption prior to maturity at the option of the issuer thereof on a specified date or dates.

Investment Securities described in clause (c) of the foregoing paragraph may be included in the Investment Securities deposited with the Trustee for purposes of defeasance only if the determination as to whether the moneys and Investment Securities to be deposited with the Trustee would be sufficient to pay when due, either at the maturity date thereof or, in the case of any Bonds to be redeemed prior to the maturity date thereof, on the redemption date or dates specified in any notice of redemption to be mailed by the Trustee or in the instructions to mail notice of redemption provided to the Trustee in accordance with the Resolution, the principal and redemption price, if applicable, and interest on the Bonds is made both on the assumption that the Investment Securities described in clause (c) of the foregoing paragraph were not redeemed at the option of the issuer prior to the maturity date thereof and on the assumptions that such Investment Securities would be redeemed by the issuer thereof at its option on each date on which such options could be exercised, that as of such date or dates interest ceased to accrue on such Investment Securities and that the proceeds of such redemption would not be reinvested by the Trustee.

In the event that Investment Securities described in such clause (c) are deposited with the Trustee, then any notice of redemption to be mailed by the Trustee and any set of instructions relating to a notice of redemption given to the Trustee may provide, at the option of the Authority, that any redemption date or dates in respect of all or any portion of the Bonds to be redeemed on such date or dates may at the option of the Authority be changed to any other permissible redemption date or dates and that redemption dates may be established for any Bonds deemed to have been paid in accordance with the defeasance provisions of the Resolution upon their maturity date or dates at any time prior to the actual mailing of any applicable notice of redemption in the event that all or any portion of such Investment Securities have been called for redemption or have been redeemed by the issuer thereof prior to the maturity date thereof.

Events of Default; Remedies

Events of default under the Resolution include (i) failure to pay the principal or redemption price of any Bond when due; (ii) failure to pay any installment of interest on any Bond or the unsatisfied balance of any sinking fund installment when due; (iii) failure to make a required deposit in any Fund or Account when due and continuance thereof for a period of 180 days after notice from the Trustee or the holders of not less than 25% in principal amount of the Bonds then Outstanding; (iv) failure by the Authority to perform or observe any other covenants, agreements, or conditions contained in the Resolution or the Bonds and continuance thereof for a period of 90 days after notice from the Trustee or the holders of not less than 25% in principal amount of the Bonds then Outstanding; (v) a judgment for the payment of money in excess of \$10,000,000 being rendered against the Authority which remains undischarged and unstayed for a period of 90 days after entry of such judgment or continuance of such judgment undischarged or unstayed for a period of 90 days after the termination of any stay entered within such first mentioned 90 days; and (vi) certain events of bankruptcy or insolvency. Upon the happening of such an Event of Default, the Trustee or the holders of not less than 25% in principal amount of the Bonds then Outstanding may declare the principal of and accrued interest on the Bonds due and payable (subject to a rescission of such declaration upon the curing of such default before the Bonds have matured). ***The Revenue Requirements payable by the Participating Trusts do not include debt service on Bonds due solely by virtue of the acceleration of the maturity of such Bonds.*** See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Power Sales Contracts” in the Official Statement and see “Payments by the Participating Trusts” in Appendix D to the Official Statement.

Unless and until an event of default is remedied, the Trustee may proceed, and upon written request of the holders of not less than 25% in principal amount of the Bonds then Outstanding must proceed, to protect and enforce its rights and the rights of the holders of the Bonds under the Resolution by a suit or suits in equity or at law (which may include a suit for the specific performance of any covenant contained in the Resolution) or in the enforcement of any other legal or equitable right as the Trustee deems most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

During the continuance of an event of default under the Resolution, the Trustee is to apply moneys, securities, funds and Revenues received by the Trustee as follows and in the following order: (i) charges, expenses and liabilities of the Trustee and any paying agents; (ii) reasonable and necessary Operation and Maintenance Expenses and reasonable renewals, repairs and replacements of the System necessary in the judgment of the Trustee to prevent a loss of Revenues; and (iii) to the interest and principal or redemption price then due on the Bonds and on Subordinated Indebtedness (according to priorities delineated in the Resolution).

No Bondholder has any right to institute any suit, action or proceeding for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless (1) such Bondholder previously has given the Trustee written notice of the Event of Default, (2) the holders of at least 25% in principal amount of the Bonds then Outstanding have filed a

written request with the Trustee and have afforded the Trustee a reasonable opportunity to exercise its powers or institute such suit, action or proceeding, (3) there have been offered by such holders to the Trustee adequate security and indemnity against its costs, expenses and liability to be incurred and (4) the Trustee has refused to comply with such request within 60 days after receipt of such notice, request and offer of indemnity. Nothing in the Resolution or the Bonds affects or impairs the Authority's obligation to pay the Bonds and interest thereon when due or the right of any Bondholder to enforce such payment.

Trustee and Paying Agents

The Resolution requires the appointment by the Authority of a Trustee and one or more Paying Agents (who may be the Trustee) for the Bonds of each Series. The Trustee may resign on 60 days' notice and may at any time be removed with or without cause by the holders of a majority in principal amount of the Bonds then Outstanding. Successor Trustees may be appointed by the holders of a majority in principal amount of Bonds then Outstanding, and failing such an appointment the Authority must appoint a successor to hold office until the Bondholders act. So long as no Event of Default, or event which would mature into an Event of Default, has occurred and is continuing, the Trustee may be removed at any time with or without cause by the Authority. Any successor Trustee must be bank or trust company or national banking association having capital stock, surplus and undivided earnings aggregating at least \$50,000,000 if there be such an entity willing to accept appointment.

APPENDIX G

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Undertaking”), dated as of October 23, 2025, is executed and delivered by the Oklahoma Municipal Power Authority (the “Authority”), in connection with the issuance of its Power Supply System Revenue and Refunding Bonds, Series 2025A (the “Series 2025A Bonds”). The Series 2025A Bonds are being issued pursuant to the Oklahoma Municipal Power Authority Act, 11 O.S. 2021, §§ 24-101 *et seq.*, as amended, and the Authority’s Power Supply System Revenue Bond Resolution adopted on June 10, 1985 (which, as supplemented and amended to the date hereof, including by the Thirty-Fourth Supplemental Power Supply System Revenue Bond Resolution adopted on August 14, 2025, is herein defined as the “Resolution”), under which BOKF, NA, serves as Trustee (the “Trustee”).

Pursuant to the Resolution, the Authority agrees as follows:

The Authority does hereby covenant and agree and enter into a written undertaking (a) for the benefit of the holders and beneficial owners of the Series 2025A Bonds in accordance with Section (b)(5)(i) of Securities and Exchange Commission (the “SEC”) Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the “Rule”) and (b) in order to assist any underwriter of the Series 2025A Bonds, as Participating Underwriters under the Rule, to comply with the Rule. Capitalized terms used in this Undertaking and not otherwise defined in the Resolution shall have the meanings assigned such terms below. It being the intention of the Authority that there be full and complete compliance with the Rule, this Undertaking shall be construed in accordance with the written interpretative guidance and no-action letters published from time to time by the Securities and Exchange Commission and its staff with respect to the Rule.

The Authority undertakes to provide the following information as provided in this Undertaking:

- (a) Annual Financial Information;
- (b) Audited Financial Statements; and
- (c) Listed Event Notices.

The Authority shall, while any Series 2025A Bonds are outstanding, provide the Annual Financial Information and Audited Financial Statements with respect to the Authority and, to the extent they can practicably be obtained by the Authority, the Annual Financial Information and Audited Financial Statements, if any, with respect to each Disclosure Required Obligor, in each case on or before the date which is 180 days after the end of each fiscal year of the Authority (the “Report Date”) to the Municipal Securities Rulemaking Board (the “MSRB”) in an Electronic Format via its Electronic Municipal Market Access system (“EMMA”). Reference is made to SEC Release No. 34-59062, December 8, 2008 (the “Release”) relating to the EMMA system for municipal securities disclosure effective on July 1, 2009. If Audited Financial Statements are not available by no later than 180 days after the end of any fiscal year, the Authority shall provide Unaudited Financial Statements no later than 180 days after the end of such fiscal year. If the Authority or if, to the knowledge of the Authority, a Disclosure Required Obligor changes its fiscal year, the Authority shall provide written notice of the change of fiscal year to the MSRB via EMMA. It shall be sufficient if the Authority provides to the MSRB, any or all of the Annual Financial Information by specific reference to documents previously provided to the MSRB or filed with the SEC.

If not provided as part of the Annual Financial Information, the Authority shall provide the Audited Financial Statements no later than 10 Business Days after they become available while any Series 2025A Bonds are outstanding to the MSRB via EMMA.

The Authority shall use its best efforts timely to obtain from or with respect to each Disclosure Required Obligor the Annual Financial Information and Audited Financial Statements relating to such Disclosure Required Obligor.

The Authority shall provide in a timely manner, not in excess of 10 Business Days after the occurrence of the event, to the MSRB via EMMA, notice of any failure by the Authority while any Series 2025A Bonds are outstanding to provide to the MSRB Annual Financial Information or Audited Financial Statements on or before the Report Date.

If a Listed Event occurs while any Series 2025A Bonds are outstanding, the Authority shall provide a Listed Event Notice in a timely manner, not in excess of 10 Business Days after the occurrence thereof, to the MSRB via EMMA. Each Listed Event Notice shall include the CUSIP numbers of the Series 2025A Bonds to which such Listed Event Notice relates or, if the Listed Event Notice relates to all bond issues of the Authority including the Series 2025A Bonds, such Listed Event Notice need only include the CUSIP number of the Authority.

Any filings required to be made with or notices to be given to the MSRB under this Undertaking shall be effected by sending the filing or notice to EMMA at www.emma.msrb.org in an Electronic Format accompanied by identifying information as prescribed by the MSRB. The Authority agrees to comply with the Release and the provisions of EMMA in making such filings and giving such notices under this Undertaking. Should the Rule be amended to obligate the Authority to make filings with or provide notices to entities other than the MSRB, the Authority agrees to undertake such obligation in accordance with the Rule as amended.

The following are the definitions of the capitalized terms used in this Undertaking and not otherwise defined in the Resolution:

“Annual Financial Information” means the financial information or operating data with respect to the Authority and each Disclosure Required Obligor, provided at least annually, of the type included under the captions “THE PARTICIPATING TRUSTS—General” and “—Participating Trusts’ Historical Power and Energy Requirements” (in either case, only noncoincident peak demand and metered energy requirements for the Participating Trusts in the aggregate and for each Disclosure Required Obligor) in Appendix A (except population figures) of the final Official Statement with respect to the Series 2025A Bonds. The financial statements included in the Annual Financial Information shall be prepared in accordance with generally accepted accounting principles (“GAAP”) for governmental units as prescribed by the Government Accounting Standards Board (“GASB”). Such financial statements may be, but are not required to be, Audited Financial Statements.

“Audited Financial Statements” means the annual financial statements of the Authority and of each Disclosure Required Obligor, prepared in accordance with GAAP for governmental units as prescribed by GASB.

“Business Day” means any day other than a Saturday, a Sunday or any other day on which banking institutions in New York, New York, or Oklahoma City, Oklahoma, are authorized or required to be closed.

“Disclosure Required Obligor” means, with respect to a particular fiscal year of the Authority, each Participating Trust which, as of the final day of such fiscal year:

- (a) is an “obligated person” within the meaning of the Rule; and
- (b) during such fiscal year, provided pursuant to its Power Supply Contract with the Authority, 10% or more of the total Revenues of the Authority for such fiscal year.

As of the date hereof, the only Disclosure Required Obligors are Edmond Public Works Authority and Ponca City Utility Authority.

“*Electronic Format*” means the electronic format prescribed by the MSRB for any filings required to be made and notices to be given, initially designated by the MSRB to be PDF (in word searchable format except for non-textual elements).

“*Financial Obligation*” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Listed Event*” means any of the following events with respect to the Series 2025A Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025A Bonds, or other material events affecting the tax status of the Series 2025A Bonds;
- (vii) modifications to rights of holders of the Series 2025A Bonds, if material, and tender offers;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Series 2025A Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Authority or any Disclosure Required Obligor;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Authority or any Disclosure Required Obligor or the sale of all or substantially all of the assets of the Authority or any Disclosure Required Obligor, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (xiv) appointment of a successor Trustee or change in the name of the Trustee, if material;
- (xv) the incurrence of a Financial Obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Authority, any of which affect security holders, if material; and
- (xvi) a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

As used in clause (xii) above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if jurisdiction has been assumed by leaving the Authority and official or officers of the Authority in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

The Authority intends to comply with the events described in clauses (xv) and (xvi) above, and the definition of “financial obligation” above, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the SEC in Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the SEC or its staff with respect to the amendments to the Rule effected by the 2018 Release.

“*Listed Event Notice*” means written or electronic notice of a Listed Event.

“*Unaudited Financial Statements*” means the same as Audited Financial Statements, except that they shall not have been audited.

Unless otherwise required by law and subject to technical and economic feasibility, the Authority shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the Authority’s information.

The continuing obligation hereunder of the Authority to provide Annual Financial Information, Audited Financial Statements and Listed Event Notices shall terminate immediately once the Series 2025A Bonds are no longer outstanding. This Undertaking, or any provision hereof, shall be null and void in the event that the Authority obtains an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this Undertaking, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Series 2025A Bonds, provided that the Authority shall have provided notice of such delivery and the cancellation of this Undertaking to the MSRB via EMMA.

This Undertaking may be amended, without the consent of the Bondholders, but only upon the Authority obtaining an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance of this Undertaking and by the Authority with the Rule, provided that the Authority shall have provided notice of such delivery and of the amendment to the MSRB via EMMA. Any such amendment shall satisfy, unless otherwise permitted by the Rule, the following conditions:

- (a) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the obligated person or type of business conducted;
- (b) This Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment does not materially impair the interests of Bondholders, as determined either by parties unaffiliated with the Authority (such as nationally recognized bond counsel), or by approving vote of Bondholders pursuant to the terms of the Resolution at the time of the amendment.

In the event of any amendment of a provision of this Undertaking, the Authority shall describe such amendment in the filing of the next Annual Financial Information, and shall include, as applicable, a narrative explanation of the reason for the amendment and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority. In addition, if the amendment relates to the accounting principles to be followed in preparing Audited Financial Statements, (i) notice of such change shall be given in the same manner as for a Listed Event Notice under this Undertaking, and (ii) the Annual Financial Information for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Any failure by the Authority to perform in accordance with this Undertaking shall not constitute an Event of Default with respect to the Series 2025A Bonds. If the Authority fails to comply herewith, any Bondholder or beneficial owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Authority to comply with its obligations hereunder.

This Undertaking shall be governed by the laws of the State of Oklahoma, provided that to the extent this Undertaking addresses matters of federal securities laws, including the Rule, this Undertaking shall be construed in accordance with such federal securities laws and official interpretations thereof.

[Signature Omitted]

APPENDIX H
PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon delivery of the Series 2025A Bonds in definitive form, Nixon Peabody LLP, New York, New York, Bond Counsel to the Authority, proposes to render its final approving opinion in substantially the following form:

[Date of Delivery]

Oklahoma Municipal Power Authority
Edmond, Oklahoma

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the authorization and issuance by Oklahoma Municipal Power Authority (the “Authority”), a governmental agency of the State of Oklahoma and a body politic and corporate, created and existing under the Oklahoma Municipal Power Authority Act, 11 O.S. 2021, §§ 24 101 et seq., as amended from time to time (the “Act”), of \$_____ aggregate principal amount of the Authority’s Power Supply System Revenue and Refunding Bonds, Series 2025A (the “Bonds”). The Bonds are issued under and pursuant to the Act, and under and pursuant to a Power Supply System Revenue Bond Resolution adopted by the Board of Directors of the Authority on June 10, 1985, as supplemented and amended through the Thirty-Fourth Supplemental Power Supply System Revenue Bond Resolution adopted by the Board of Directors of the Authority on August 14, 2025 (the “Thirty-Fourth Supplemental Resolution”) authorizing the Bonds (such Power Supply System Revenue Bond Resolution as supplemented and amended through the Thirty-Fourth Supplemental Resolution being herein called the “Resolution”). All capitalized terms used herein shall, unless the context requires otherwise, have the meanings given to such terms in the Resolution.

Our services as Bond Counsel were limited to a review of the legal proceedings required for the authorization and issuance of the Bonds. We have reviewed originals or copies identified to our satisfaction as being true copies of the Resolution and certain other records of the Authority, including certificates of officers of the Authority as to certain factual matters and such other documents and matters deemed necessary by us to render the opinions set forth herein, although in doing so, we have not undertaken to verify independently the accuracy of the factual matters represented, warranted or certified therein, and we have assumed the genuineness of all signatures thereto.

The opinions expressed herein are based upon an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have undertaken neither to determine, nor to inform any person, whether any such actions are taken or omitted or events do occur or whether any other matters come to our attention after the date hereof. We call attention to the fact that the rights and obligations under the Bonds, the Resolution and the Tax Agreement may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases, and to the limitations contained in applicable law regarding legal remedies against the Authority. We undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on the foregoing, we are of the opinion that:

- (1) The Authority is duly created and validly existing under the provisions of the Act.

(2) The Authority has the right and power under the Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Authority, is in full force and effect and is the valid and binding agreement of the Authority enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates a valid security interest on behalf of the Trustee in, and the valid pledge which it purports to create of, the Trust Estate, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

(3) The Bonds have been duly authorized, executed and delivered by the Authority, and, assuming due authentication by Trustee, constitute legally valid and binding special obligations of the Authority. The Bonds are special obligations of the Authority, payable solely from the Revenues and other funds of the Authority as provided in the Resolution. and neither the State of Oklahoma nor any political subdivision thereof (other than the Authority) nor any eligible public agency or public trust which has contracted or may contract with the Authority, is obligated to pay the principal of or premium, if any, or interest on the Bonds, and neither the faith and credit nor the taxing power of the State of Oklahoma or any such political subdivision or of any such eligible public agency or public trust is pledged to the payment of the principal of or premium, if any, or interest on the Bonds.

(4) The Internal Revenue Code of 1986, as amended (the "Code") sets forth certain requirements which must be met subsequent to the issuance and delivery of the Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Bonds. Pursuant to the Thirty-Fourth Supplemental Resolution and the Tax Agreement, the Authority has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Bonds from gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the Authority has made certain representations and certifications in the Thirty-Fourth Supplemental Resolution and the Tax Agreement. We have not independently verified the accuracy of those certifications and representations.

Under existing law, assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Bonds is excluded from gross income for Federal income tax purposes under Section 103 of the Code. We are also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code.

Bond Counsel is further of the opinion the excess of the principal amount of any maturity of the Bonds over the price at which a substantial amount of such maturity of the Bonds was sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) (each, a "Discount Bond" and collectively, the "Discount Bonds") constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment.

(5) Under existing laws of the State of Oklahoma, interest on the Bonds is exempt from income taxation imposed by the State of Oklahoma under the Oklahoma Income Tax Act, 68 O.S. 2021, § 2351 et seq., as amended; provided, however, that no opinion is expressed herein regarding taxation of interest on

the Bonds in the event such interest is or becomes includible in gross income for Federal income tax purposes. We express no opinion regarding taxation of the Bonds or the interest thereon under any provision of Oklahoma law other than the Oklahoma Income Tax Act.

The opinions set forth in paragraph 2 are subject to (a) applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws), (b) the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and (c) the limitations on legal remedies against government entities in the State of Oklahoma.

Except as stated in paragraphs 4 and 5, we express no opinion as to any other federal, state or local tax consequences of the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. Furthermore, we express no opinion as to any federal, state or local tax law consequences with respect to the Bonds, or the interest thereon, if any action is taken with respect to the Bonds or the proceeds thereof upon the advice or approval of other counsel.

No opinion is expressed herein on the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. This opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur, and we disclaim any obligation to update this opinion. Our engagement as Bond Counsel terminates upon the issuance of the Bonds.

Respectfully submitted,

APPENDIX I
SPECIMEN MUNICIPAL BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)