

Virtual Conference
Board of Directors Meeting
Executive Committee Meeting
National Public Gas Agency
NMPP Energy Offices
8377 Glynoaks Dr, Lincoln, NE 68516
June 11, 2026 – 10:00 a.m. (CT)

REVISED AGENDA

All agenda items are for discussion and action will be taken as deemed appropriate.

1. Call to Order
 - A. Section 84-1412 (8) – Nebraska Open Meetings Act
 - B. Roll Call
 - C. Public Comment

2. Consent Agenda
 - A. Minutes of the February 5, 2026, Meeting
 - B. Next Meeting – September 10, 2026
 - C. Financial Report
 - I. Audited Financial Statements – Fiscal Year Ended March 31, 2026
 - II. Results of the 2026 Financial Statement Audit, Including Required Communications
 - D. Consent Resolution

3. Introduction to NPGA

4. Reports
 - A. Director of Gas Operations
 - B. Gas Operations Controller

5. **Municipal Gas Authority of Georgia Restated Transaction Confirmation #3 to NAESB Base Contract for Sale and Purchase of Natural Gas dated as of December 1, 2019**
 - A. **Amendment to Extend Term**
 - B. **Reset Period Arrangements**

6. **Member Prepay Transaction**
 - A. **Central City, Nebraska, Amendment to Gas Supply Agreement for Total Requirements Supply**

7. Legislative Update

8. Contracts and General Counsel Report

9. Comments from the Chairperson

10. Items for Future Agenda

11. Adjournment

CONSENT AGENDA

Date:	June 11, 2026
Initiator/Staff information source:	Chairperson Anderson
Action Proposed:	<u>Approval</u>

Minutes of the February 5, 2026, meeting were previously distributed and are included as Attachment A.

The next meeting of the NPGA Board of Directors is set for Thursday, September 10, 2026, at the NMPP Energy offices, Lincoln, Nebraska.

January and February 2026 financials were previously distributed. March 2026 financials are included in the Audited Financial Statements (Attachment C). Jamie Johnson, Director of Finance and Accounting, will review the fiscal year-end financial results for the NMPP Energy organizations and NPGA in more detail at the meeting. A summary of preliminary fiscal year end results for the NMPP Energy organizations and NPGA's financial results for fiscal year 2026 are reflected on Attachment B.

Attachments C and D are the Audited Financial Statements and the Audit Communication Letter, respectively, for the Fiscal Year Ended March 31, 2026.

CONSENT AGENDA (Continued)

Date:	June 11, 2026
Initiator/Staff information source:	Chairperson Anderson
Action Proposed:	Approval

Consent Resolution

WHEREAS, certain business of the Board of Directors of the National Public Gas Agency transpires on a regular and routine basis or is not of a controversial nature; and

WHEREAS, roll call votes on each individual issue greatly extend the meeting time.

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the National Public Gas Agency that in the interest of economizing time yet complying with the Open Meetings Act of the State of Nebraska, which requires roll call voting, the following issues are hereby consolidated in this Consent Resolution:

- 1. BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the minutes of the February 5, 2026, meeting are hereby approved as presented; and*
- 2. BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the next regularly scheduled meeting will be Thursday, September 10, 2026, at the NMPP Energy offices, Lincoln, Nebraska; and*
- 3. BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the financial statements for January, February, and March 2026, are hereby reviewed and accepted; and*
- 4. BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the audited financial statements and the auditor's report to the Board of Directors and Management for the fiscal year ended March 31, 2026, are hereby accepted.*

DIRECTOR OF GAS OPERATIONS

Date:	June 11, 2026
Initiator/Staff information source:	Beth Ackland
Action Proposed:	Informational

Beth Ackland, Director of Gas Operations, will provide updates on various work activities since the last meeting and provide a market outlook.

GAS OPERATIONS CONTROLLER

Date:	June 11, 2026
Initiator/Staff information source:	Jamie Barrett
Action Proposed:	<u>Informational</u>

Jamie Barrett, Gas Operations Controller, will provide updates on gas supply, rate cases, and storage information.

**MUNICIPAL GAS AUTHORITY OF GEORGIA RESTATED TRANSACTION CONFIRMATION #3 TO NAESB
BASE CONTRACT FOR SALE AND PURCHASE OF NATURAL GAS DATED AS OF DECEMBER 1, 2019**

Date:	June 11, 2026
Initiator/Staff information source:	Beth Ackland
Action Proposed:	Action

Beth Ackland, Director of Gas Operations, will update the Board on the upcoming Reset Period for the Municipal Gas Authority of Georgia (the “Gas Authority”) 2019C Prepay Transaction. The currently-effective discount of \$0.29/MMBtu for volumes received through this transaction will expire August 31, 2026. Refunding bonds are anticipated to be issued as early as June 2026 for the next Reset Period.

NPGA will need to consider the following options:

1. Does NPGA desire to extend this agreement back to a 30-year term (i.e., 2056)?
2. If the repricing for the upcoming Reset Period does not yield the \$0.24/MMBtu minimum discount required for NPGA to be obligated to remain in the transaction, is there a minimum discount NPGA desires to achieve to continue taking volumes under the transaction?

A proposed resolution is provided below.

RESOLUTION

RESOLUTION APPROVING THE EXECUTION, DELIVERY AND PERFORMANCE OF AN AMENDMENT TO THE GAS SUPPLY TRANSACTION CONFIRMATION WITH THE MUNICIPAL GAS AUTHORITY OF GEORGIA (“THE GAS AUTHORITY”) AND OTHER DOCUMENTS RESPECTING THE PROPOSED RESTRUCTURING AND EXTENSION OF THE NATURAL GAS PREPAYMENT TRANSACTION, DATED AS OF DECEMBER 11, 2019, BETWEEN MAIN STREET ENERGY, INC. AND CITIGROUP ENERGY INC.; AUTHORIZING THE EXECUTIVE DIRECTOR TO ACCEPT A DISCOUNT BELOW THE MINIMUM DISCOUNT SPECIFIED IN THE GAS SUPPLY TRANSACTION CONFIRMATION IN CONNECTION WITH THE RESET OF THE AVAILABLE DISCOUNT IN THE GAS AUTHORITY’S GAS PREPAYMENT PROJECT; AND ADDRESSING RELATED MATTERS

WHEREAS, the National Public Gas Agency (“NPGA”) and the Gas Authority are parties to that certain NAESB Base Contract for Sale and Purchase of Natural Gas effective December 1, 2019, and the Transaction Confirmation dated as of December 11, 2019, as subsequently amended and restated in Transaction Confirmation #2 dated November 30, 2020, and in Transaction Confirmation #3 dated March 19, 2021, (the “Original Gas Supply Agreement”), and capitalized terms used and not defined in this resolution shall have the meanings assigned to them in the Original Gas Supply Agreement; and

WHEREAS, the Original Gas Supply Agreement provides for the periodic re-calculation of the available Discount for Reset Periods subsequent to the Initial Reset Period; and

WHEREAS, the Initial Reset Period expires on August 31, 2026, and the amount of the available Discount and the length of the Reset Period during which the available Discount will be in effect will be determined; and

WHEREAS, Main Street Energy, Inc., a Georgia nonprofit corporation (“Main Street”), proposes to (i) restructure and extend the acquisition of certain long-term gas supplies from Citigroup Energy Inc. (the “Supplier”) that were prepaid in May 2019 to supply gas to certain customers, including NPGA, and (ii) restructure, extend and refinance said project (the “Prepayment Project”) from the proceeds of certain tax-exempt bonds; and

WHEREAS, certain of the options for restructuring, extending and refinancing the Prepayment Project may require an Amendment to the Original Gas Supply Agreement, while others may not;

WHEREAS, NPGA and the Gas Authority will cause to be prepared a draft Amendment to the Original Gas Supply Agreement, as appropriate to Main Street’s tax-exempt financing or refinancing of its prepaid deliveries from the Supplier, for an extended term of approximately 30 years (the Original Gas Supply Agreement as amended by this Amendment are collectively referred to as the “Gas Supply Agreement”), providing for the purchase by NPGA of not to exceed 500 MMBtu per day on an annual average basis, with not less than a \$0.30/MMBtu discount for the Reset Period, net of administrative fees (collectively, the “Purchase Terms”) and any other agreements effecting overall better economic terms (together with the Gas Supply Agreement, the “Agreements”); and

WHEREAS, NPGA will pay for gas supplies delivered pursuant to the Gas Supply Agreement only if and as such supplies are delivered.

NOW, THEREFORE, be it hereby resolved by the Board of Directors of National Public Gas Agency that:

1. The Executive Director of NPGA is hereby authorized to (a) respond to all notices provided by the Gas Authority with respect to the Estimated Available Discount, the final available Discount and the Reset Period, including the notice of a Remarketing Event, pursuant to the Original Gas Supply Agreement, and (b) enter into an amendment to the Original Gas Supply Agreement between NPGA and the Gas Authority, if necessary and appropriate, to reflect such changes to the Original Gas Supply Agreement as shall be necessary or desirable in structuring the best resolution of the Reset Period options that may be available to the Gas Authority, as described in the following section of this Resolution.

2. The Executive Director is hereby delegated full authority to effectuate a continuation of the transaction for the Reset Period by doing the following:

a. Extension. If for the next Reset Period, the Gas Authority is able to provide to NPGA an available Discount not less than \$0.30/MMBtu to NPGA, net of administrative fees, the Executive Director is hereby authorized to extend the Delivery Period in the Gas Supply Agreement for a period resulting in a new maximum total term of approximately 30 years with purchases at least equal to the daily contract quantity in effect in Year 30 of the Gas Supply Agreement during such extended Delivery Period.

b. Reduced Minimum Discount. If for the next Reset Period, the Gas Authority is able to provide an available Discount not less than [_____] cents per MMBtu to NPGA but less than the minimum discount of \$0.24/MMBtu specified in the Gas Supply Agreement, net of administrative fees (the “Reduced Minimum Discount”), the Executive Director is hereby delegated full authority to effectuate a continuation of the transaction for the Reset Period by accepting the Reduced Minimum Discount.

3. The Executive Director is hereby authorized to execute and deliver all such additional certificates, documents, agreements and other instruments reasonably required or desirable to complete the transactions contemplated by the Gas Supply Agreement, including but not limited to any necessary tax certificates, documents or other agreements necessary to evidence NPGA's compliance with any tax or continuing disclosure requirements arising as a result of NPGA's execution of the Gas Supply Agreement or as reasonably required from time to time to the extent determined to be of benefit.

MEMBER PREPAY TRANSACTION

Date:	June 11, 2026
Initiator/Staff information source:	Chris Anderson
Action Proposed:	Action

Chris Anderson, Chairperson, will update the board related to a prepayment transaction the City of Central City, Nebraska would like to enter into with Black Belt Energy Gas District, with the intention of serving a portion of the natural gas load Koch Fertilizer, LLC in Beatrice Nebraska. In order to serve this load, the City is seeking a carve-out from the total requirements provision of the City's Gas Supply Agreement with NPGA.

RESOLUTION OF THE BOARD OF DIRECTORS OF NATIONAL PUBLIC GAS AGENCY

WHEREAS, the City of Central City, Nebraska (the "Member Municipality") is a member of National Public Gas Agency ("NPGA"); and

WHEREAS, the Member Municipality and NPGA are parties to that certain Gas Supply Agreement for Total Requirements Supply executed February 15th, 2013, as amended, that provides that NPGA will supply to the Member Municipality, and the Member Municipality will purchase from NPGA, the Member Municipality's total requirements of natural gas (the "Full Requirements Contract"); and

WHEREAS, the Member Municipality desires to participate in a natural gas prepayment transaction with The Black Belt Energy Gas District (the "Supplier"), a public joint action gas supply agency, for the purchase of prepaid gas from the Supplier at a discount to monthly market prices for resale by the Member Municipality to Koch Fertilizer Beatrice, LLC (the "Customer"), a fertilizer production facility in Beatrice, Nebraska; and

WHEREAS, the Member Municipality has requested NPGA to authorize an exception to the Member Municipality's obligations under the Full Requirements Contract to provide that the Member Municipality shall be permitted to procure natural gas from the Supplier for the purposes of resale to the Customer, without otherwise affecting the Member Municipality's obligations to NPGA under the Full Requirements Contract (the "Carve-Out"); and

WHEREAS, the Board of Directors of NPGA previously adopted a policy which requires that an arrangement similar to the contemplated Carve-Out must be (i) beneficial to both NPGA and the Member Municipality, (ii) not detrimental to NPGA or any member thereof, and (iii) not intended to serve a customer load already served or potentially served by the Member Municipality, other than via the contemplated arrangement; and

WHEREAS, subject to execution by the Member Municipality and NPGA of an amendment to the Full Requirements Contract to accomplish the objectives set forth in this resolution, the Board of Directors of NPGA desires to authorize the Carve-Out, provided that the Member Municipality agrees to pay to NPGA an amount equal to ten percent (10%) of the proceeds received by the Member Municipality for the contemplated Carve-Out, subject to terms and conditions to be agreed upon by NPGA and the Member Municipality in an amendment to the Full Requirements Contract (the "Carve-Out Compensation").

NOW, THEREFORE, the Board of Directors of NPGA hereby resolves as follows:

1. *The Board of Directors of NPGA has determined that the contemplated Carve-Out is (i) beneficial to both NPGA and the Member Municipality, (ii) not detrimental to NPGA or any member thereof, and (iii) not intended to serve a customer load already served or potentially served by the Member Municipality, other than via the arrangement contemplated herein.*
2. *The Member Municipality is authorized to enter into a Gas Supply Agreement with the Supplier for the purchase of a quantity of gas, as defined in the Gas Supply Agreement, that the Member Municipality shall sell to the Customer under the terms of a NAESB Base Contract for the Sale and Purchase of Gas including a Transaction Confirmation thereto.*
3. *The Member Municipality's Gas Supply Agreement with the Supplier shall be fully enforceable between Central City and the Supplier by its terms but shall have no effect on the Member Municipality's obligations to otherwise purchase its full requirements for gas supply from NPGA.*
4. *The Executive Director is hereby authorized and directed to negotiate and execute an amendment to the Full Requirements Contract with the Member Municipality, subject to final legal and management review, to (a) authorize the Carve-Out, (b) set forth the terms and conditions related to the Carve-Out Compensation, and (c) do any and all things and to execute and deliver any and all documents which he deems necessary or advisable in order to accomplish the objectives set forth in this resolution. Notwithstanding any provision of this resolution authorizing the Executive Director to take any action or execute any document to the contrary, in the absence of the Executive Director or in lieu of the Executive Director, the person designated in writing by the Executive Director, may take such action or execute such document with like effect as fully as though named in this resolution instead of the Executive Director.*

This Resolution is approved this 11th day of June, 2026 and shall take immediate effect.

By _____
Chairperson, NPGA Board of Directors

LEGISLATIVE UPDATE

Date:	June 11, 2026
Initiator/Staff information source:	Kara Hunt
Action Proposed:	Informational

Kara Hunt, Government Affairs & Project Manager, will provide an update on legislative advocacy.

CONTRACTS AND GENERAL COUNSEL REPORT

Date:	June 11, 2026
Initiator/Staff information source:	Michelle Lepin
Action Proposed:	Informational

Contracts Report:

Other Party	Agreement Name	Effective Date	Termination Date
Colorado Interstate Gas Company, L.L.C. (CIG)	CIG Access Agreement re: Pre-Filing Settlement Discussions (2026)	2/13/2026	2/13/2027, unless extended by mutual agreement of the parties
WoodRiver Energy LLC	NAESB Base Contract for Purchase and Sale of Natural Gas	4/21/2026	Terminates upon 30 days' written notice; remains in effect until the expiration date of the latest delivery period of any transaction thereunder.
WoodRiver Energy LLC	Special Provisions to NAESB Base Contract for Sale and Purchase of Natural Gas	4/21/2026	Remains in effect with the base contract.
Constellation NewEnergy - Gas Division LLC	Asset Management Arrangement Rider to Base Contract for Sale and Purchase of Natural Gas (AMA on Northern) November 2026 - March 2027 (for Lyons, Pender, Stromsburg)	11/1/2026	3/31/2027
Constellation NewEnergy - Gas Division LLC	Asset Management Arrangement Rider to Base Contract for Sale and Purchase of Natural Gas (2026-2027 AMA on TIGT)(for Stuart)	11/1/2026	10/31/2027
Constellation NewEnergy - Gas Division LLC	Asset Management Arrangement Rider to Base Contract for Sale and Purchase of Natural Gas (AMA on Northern) April 2027 - October 2027 (for Lyons, Pender, Stromsburg)	4/1/2027	10/31/2027

Legal and Regulatory Report:

The General Counsel will provide a report at the June 11, 2026, meeting.

Unapproved Minutes
Virtual Conference
Board of Directors and Executive Committee Annual Meeting
National Public Gas Agency
NMPP Energy Offices
8377 Glynoaks Dr, Lincoln, NE 68516
February 5, 2026 – 10:00 a.m. (CT)

The Board of Directors and Executive Committee of the National Public Gas Agency (NPGA) met on Thursday, February 5, 2026, at the NMPP Energy offices, 8377 Glynoaks Dr, Lincoln, Nebraska. Notice of the meeting was given to the Board of Directors and Executive Committee by email. The public was advised by publication in print and online in the *Lincoln Journal Star* newspaper and website on January 16, 2026, and on NMPP Energy’s Public Meeting Information website. The notice and agenda were posted upon issuance at the NMPP Energy office, the designated public meeting site, 8377 Glynoaks Drive, Lincoln, Nebraska, and kept continually current and available for public inspection. Instructions to join the meeting via Microsoft Teams virtual conference were provided in the public notice. All documents considered at the meeting and the current version of the Nebraska Open Meetings Act were made available on NMPP Energy’s Public Meeting Information website.

NPGA BOARD OF DIRECTORS

CALL TO ORDER

Chairperson, Chris Anderson, called the meeting to order at 10:00 a.m. (CT). Anderson announced that pursuant to Section 84-1412(8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act was posted in the meeting room. It was also announced that the meeting was being recorded.

Roll Call

Quorum was declared with 11 of the 14 Directors present in-person. As there was a quorum for the Board of Directors, a meeting of the Executive Committee was not called.
Quorum = 7 Directors

Alma, NE	Russ Pfeil
Belleville, KS	Russ Piroutek
Central City, NE	Chris Anderson
Fort Morgan, CO	Brent Nation
Lyons, NE	Terry Ueding
Pender, NE	Glen Gralheer
Stromsburg, NE	Lenard Schaefer
Stuart, NE	Bob Lockmon
Superior, NE	Andrew Brittenham
Trinidad, CO	Steve Curro Virtual
Wisner, NE	Randy Woldt

Also in attendance: Linda Vigil, Trinidad, CO

Absent: Auburn, KS; Falls City, NE, Walsenburg, CO

Public Comment

Chairperson Anderson asked if there were members of the public in attendance who would like to make agenda comments. There were no public comments.

CONSENT AGENDA

Minutes

Minutes of the December 11, 2025, meeting were previously distributed as Attachment A.

Next Meeting

The next meeting of the NPGA Board of Directors is set for Thursday, June 11, 2026, at the NMPP Energy offices, Lincoln, Nebraska.

Financial Report

November and December 2025 financials were previously distributed. Jamie Johnson, Director of Finance and Accounting, reviewed December financials for NPGA and November financials for the NMPP Energy organizations. Financial summaries were previously distributed as Attachment B.

Acknowledge Receipt of the Forvis Mazars Planning Communication

A copy of the Planning Communication Letter from Forvis Mazars was previously distributed as Attachment C, which provided an overview of the upcoming audit process.

Consent Resolution

Motion: Lenard Schaefer moved to approve the following Resolution. Andrew Brittenham seconded the motion, which carried unanimously on roll call vote.

Consent Resolution

WHEREAS, certain business of the Board of Directors of the National Public Gas Agency transpires on a regular and routine basis or is not of a controversial nature; and

WHEREAS, roll call votes on each individual issue greatly extend the meeting time.

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the National Public Gas Agency that in the interest of economizing time yet complying with the Open Meetings Act of the State of Nebraska, which requires roll call voting, the following issues are hereby consolidated in this Consent Resolution:

1. *BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the minutes of the December 11, 2025, meeting are hereby approved as presented; and*
2. *BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the next regularly scheduled meeting will be Thursday, June 11, 2026, at the NMPP Energy offices, Lincoln, Nebraska; and*
3. *BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the financial statements for November and December 2025, are hereby reviewed and accepted; and*
4. *BE IT FURTHER RESOLVED BY the Board of Directors of the National Public Gas Agency that the receipt of the Forvis Mazars Planning Communication is hereby accepted.*

REPORTS

Director of Gas Operations

Beth Ackland, Director of Gas Operations, discussed industry and pipeline updates, provided a gas market outlook and storage information

Gas Operations Controller

Jamie Barrett, Gas Operations Controller, provided updates on gas supply and rate cases.

FINANCIAL CONSIDERATIONS RELATED TO PROJECTED FISCAL YEAR 2025-2026 NET REVENUE INCLUDING THE FISCAL YEAR 2025-2026 MEMBER FEE

Jamie Johnson, Director of Finance and Accounting, discussed Year-End Projections for Fiscal Year 2025-2026 (Attachment D). No action was taken by the board.

BUDGET AND RATES FOR FISCAL YEAR 2026-2027 AND MODIFICATIONS TO GAS SUPPLY AGREEMENT FOR TOTAL REQUIREMENTS SUPPLY REVISED SCHEDULE OF RATES AND CHARGES

Johnson reviewed the budget and rates for fiscal year 2026-2027 and discussed modifications to the Gas Supply Agreement for Total Requirements Supply Revised Schedule of Rates and Charges. Analysis was provided with the meeting packet as Attachments D and E.

Motion: Steve Curro moved to approve the following Resolution. Terry Ueding seconded the motion, which carried unanimously on roll call vote.

BUDGET & RATES RESOLUTION

WHEREAS, the NPGA Board of Directors is authorized to establish rates and charges for gas supply and other services and transactions in furtherance of the stated objectives and purposes of NPGA, which rates and charges will be sufficiently timely to pay or reimburse NPGA for expenses (including,

without limitation, principal of and interest on bonded or other indebtedness) incurred on behalf of the Members; and,

WHEREAS, the NPGA Board of Directors is authorized to annually adopt and monitor a budget of revenues and expenses; and,

WHEREAS, the Budget and Rates for Fiscal Year Ending March 31, 2027, packet was previously sent to the NPGA Board of Directors; and,

WHEREAS, the NPGA Board of Directors is authorized to set the rates for the Gas Supply Agreement for Total Requirements Supply.

NOW THEREFORE, BE IT RESOLVED BY the NPGA Board of Directors that:

- 1. The Budget for Fiscal Year 2026-2027 as set forth in the Budget and Rates for Fiscal Year Ending March 31, 2027, is hereby approved and made a part of the official Minutes folder.*
- 2. The Revised Schedule of Rates and Charges for the Gas Supply Agreement for Total Requirements Supply is hereby approved as presented to become effective April 1, 2026, with a total Fiscal Year Member Fee as shown on Attachment 1 to the Revised Schedule of Rates and Charges and shall be made a part of the official Minutes folder. Furthermore, said rate structure shall remain in effect until duly modified.*
- 3. NPGA Staff is hereby authorized and directed to prepare Attachment 1 (Member Fee per BG Participant) to the Revised Schedule of Rates and Charges based on the total Fiscal Year Member Fee amount determined by this resolution, which Attachment 1 shall be made a part of the official Minutes folder.*
- 4. NPGA staff is hereby authorized and directed to bill the Member Fee as noted on Attachment 1 subject to the applicable Resolutions by the NPGA Board of Directors.*

ELECTION OF OFFICERS

Election of officers was conducted at the NPGA Board of Directors February 5, 2026, Annual Meeting. An overview of the election process was presented. Election information including nomination procedures, eligibility lists, and duties of the positions were previously emailed to members. Terms are for fiscal year 2026-2027 (April 1 through March 31).

The following nominations were received prior to the meeting:

- Chairperson – Chris Anderson (incumbent)
- Vice Chairperson – Bob Lockmon (incumbent)
- Secretary-Treasurer – Randy Woldt (incumbent)

All were eligible for re-election and previously confirmed their willingness to serve. Additional nominations were solicited from the floor; no nominations were received.

Motion: Lenard Schaefer moved to cease nominations, accept the slate of nominees for the Chairperson, Vice Chairperson and Secretary-Treasurer positions, and elect the slate as presented: Chris Anderson as Chairperson, Bob Lockmon as Vice Chairperson, and Randy Woldt as Secretary-Treasurer. Russ Pfeil seconded the motion which carried unanimously via voice acclamation.

APPOINTMENT OF EXECUTIVE COMMITTEE

Pursuant to Article V. Committees, of the Amended and Restated Bylaws of NPGA:
“Section 1. Executive Committee. There shall be an Executive Committee composed of the chairperson, vice-chairperson and three directors to be appointed by the chairperson of NPGA.”

The following individuals were appointed by the Chairperson to the Executive Committee for Fiscal Year 2026-2027:

- Randy Woldt
- Lenard Schaefer
- Brent Nation

ELECTION OF AT-LARGE REPRESENTATIVE TO THE JOINT OPERATING COMMITTEE

The election of the Joint Operating Committee at-large member was conducted at the NPGA Board of Directors February 5, 2026, Annual Meeting. The Joint Operating Committee is composed of the three officers from each of NPGA, MEAN, and ACE plus three at-large member positions (one Representative or Alternate Representative from NPGA, one from MEAN, and one from ACE hold the three at-large positions), who shall serve for a term of one year or until their successors are elected and qualified, whichever is later. An overview of the election process was presented.

The following nomination was received prior to the meeting:

- Brent Nation

Nation was eligible for re-election and previously confirmed his willingness to serve. Additional nominations were solicited from the floor; no nominations were received.

Motion: Russ Lenard Schaefer moved to cease nominations and vote via voice acclamation for the nominee, Brent Nation, as At-Large Representative to the Joint Operating Committee. Russ Pfeil seconded the motion which carried unanimously via voice acclamation.

LEGISLATIVE UPDATE

Kara Hunt, Government Affairs & Project Manager, provided updates on the current Nebraska legislative session and reminded the Board of NMPP Energy’s Legislative Bill Tracker. Chairperson Anderson provided updates on Nebraska LB548.

CONTRACTS AND GENERAL COUNSEL REPORT

The following executed agreement was reported to the Board:

Other Party	Agreement Name	Effective Date	Termination Date
Forvis Mazars, LLP	Engagement Letter for Audit 2026	1/28/2026	Terminates upon completion and payment, or upon notice

General Counsel Report:

Michelle Lepin, General Counsel, provided a 2025 “year in review” of natural gas headlines and a summary of legal department activities for NPGA.

COMMENTS FROM THE CHAIRPERSON

Chairperson Anderson thanked the Directors for their attendance.

ITEMS FOR FUTURE AGENDA

Board members expressed interest in bringing additional gas department employees to upcoming board meetings to provide better understanding of NPGA and the natural gas industry. NPGA staff will also facilitate on-site visits to interested members.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:59 a.m.

Recorded by:
Laurie Keiser
Administrative Assistant

Submitted by:
Randy Woldt
Secretary-Treasurer

NMPP Energy
Balance Sheets

March 2026 - PRELIMINARY/Post MEAN May Board Meeting Action

	NMPP	MEAN	NPGA	ACE
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ 20,952	\$ 33,894,597	\$ 2,577,051	\$ 1,119,013
Investments (Short-term, Long-term & Restricted)	-	39,536,496	-	2,698,873
Accounts receivable	813,508	24,001,383	1,335,047	114,645
Gas in storage	-	-	617,162	-
Prepaid expenses and other	124,929	537,179	-	4,411
Productive capacity & lease assets, net & related operating assets	-	112,040,048	-	-
Capital and subscription assets, net	-	6,302,222	-	14,309
Costs recoverable from future billings	-	39,351,122	-	-
Deferred loss on refunding	-	4,126,089	-	-
Deferred costs for asset retirement obligation	-	521,720	-	-
Fair value of derivative investments	-	-	-	-
Deferred outflows from derivative instruments	-	-	529,000	-
Total assets & deferred outflows of resources	\$ 959,389	\$ 260,310,856	\$ 5,058,260	\$ 3,951,251
Liabilities and Deferred Inflows of Resources				
Accounts payable and accrued expenses	\$ 953,389	\$ 11,198,365	\$ 604,517	\$ 19,456
Storage deposits	-	-	738,000	-
Unearned revenue	6,000	-	-	-
Lease & subscription liabilities, net long-term debt, & interest payable	-	142,719,811	-	-
Asset retirement obligation	-	521,720	-	-
Deferred inflow - deferred revenue - rate stabilization	-	30,000,000	-	-
Deferred inflow - deferred gain on refunding	-	1,879,800	-	-
Fair value of derivative investments	-	-	529,000	-
Total liabilities and deferred inflows of resources	959,389	186,319,696	1,871,517	19,456
Net Assets (Deficit)/Net Position	-	73,991,160	3,186,743	3,931,795
Total liabilities, deferred inflows & net position	\$ 959,389	\$ 260,310,856	\$ 5,058,260	\$ 3,951,251

NMPP Energy

Statements of Revenues and Expenses

For the Fiscal Year Ended: March 2026 - PRELIMINARY/Post MEAN May Board Meeting Action

	NMPP*	MEAN	NPGA	ACE
Operating Revenues	\$ 102,114	\$ 145,347,711	\$ 7,589,360	\$ 1,050,000
Operating Expenses				
Commodity costs (electric energy & gas)	-	112,482,916	6,987,500	-
Administrative and general	105,369	13,160,460	578,945	648,415
Depreciation and amortization	-	9,478,206	-	9,492
Total operating expenses	105,369	135,121,582	7,566,445	657,907
Operating Income (Loss)	(3,255)	10,226,129	22,915	392,093
Nonoperating Revenues (Expenses)				
Net costs to be recovered in future periods	-	(162,445)	-	-
Investment return	3,255	2,765,649	98,260	152,487
Interest expense	-	(4,140,302)	-	-
Distribution to members	-	-	-	(400,000)
Net Revenue (Loss)	\$ -	\$ 8,689,031	\$ 121,175	\$ 144,580
Budgeted Net Revenue (Loss)	-	2,978,546	-	442,885
+/- Variance to Budget	\$ -	\$ 5,710,485	\$ 121,175	\$ (298,305)
Fiscal Year Budgeted Net Revenue (Loss)	\$ -	\$ 2,978,546	\$ -	\$ 442,885

* NMPP activity is shown net of payroll and benefits expense and related reimbursement.

National Public Gas Agency
Balance Sheets

	March 2026	March 2025	\$ +/-
Assets and Deferred Outflows of Resources			
Unrestricted funds	\$ 2,577,051	\$ 2,664,481	\$ (87,430)
Accounts receivable	1,335,047	1,465,427	(130,380)
Gas in storage	617,162	391,277	225,885
Fair value of derivative instruments	-	1,019,000	(1,019,000)
Deferred outflows from derivative instruments	529,000	-	529,000
Total assets and deferred outflows of resources	\$ 5,058,260	\$ 5,540,185	\$ (481,925)
Liabilities, Deferred Inflows of Resources, and Net Position			
Accounts payable and accrued expenses	\$ 604,517	\$ 1,017,617	\$ (413,100)
Storage deposits	738,000	438,000	300,000
Fair value of derivative instruments	529,000	-	529,000
Deferred inflows from derivative instruments	-	1,019,000	(1,019,000)
Net Position - unrestricted	3,186,743	3,065,568	121,175
Total liabilities, deferred inflows of resources and net	\$ 5,058,260	\$ 5,540,185	\$ (481,925)

National Public Gas Agency
Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended March 2026

	Fiscal Year to Date			Prior Year	vs. Prior Year +/-
	Actual	Budget	+/-		
Revenue Units (MMBtu)	2,117,329	2,458,630	(341,301)	2,320,513	(203,184)
Gas Supply - commodity revenues					
Gas Supply - commodity revenues	\$ 7,206,840	\$ 9,471,568	\$ (2,264,728)	\$ 8,330,220	\$ (1,123,380)
Cost of Gas Sold - commodity costs	7,185,729	9,447,891	(2,262,162)	8,307,528	(1,121,799)
Commodity margin	21,111	23,677	(2,566)	22,692	(1,581)
Other Operating Revenues/(Expenses)					
Gas supply - member fees	87,676	87,676	-	153,900	(66,224)
Gas supply - management fees	8,708	8,893	(185)	7,395	1,313
Cost of gas sold - gas discounts	484,365	438,764	45,601	396,459	87,906
Operating expenses - administrative and general	(578,945)	(614,360)	35,415	(569,849)	(9,096)
Total other operating revenues/(expenses)	1,804	(79,027)	80,831	(12,095)	13,899
Operating Income/(Loss)	22,915	(55,350)	78,265	10,597	12,318
Investment return	98,260	55,350	42,910	93,990	4,270
Change in Net Position	\$ 121,175	\$ -	\$ 121,175	\$ 104,587	\$ 16,588

National Public Gas Agency

Independent Auditor's Report and Financial Statements

March 31, 2026 and 2025



National Public Gas Agency

March 31, 2026 and 2025

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Independent Auditor's Report

Board of Directors
National Public Gas Agency
Lincoln, Nebraska

Opinion

We have audited the financial statements of National Public Gas Agency, as of and for the years ended March 31, 2026 and 2025, and the related notes to the financial statements, which collectively comprise National Public Gas Agency'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 National Public Gas Agency, as of March 31, 2026 and 2025, and the changes in financial position and its 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). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of National Public Gas Agency 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 National Public Gas Agency's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 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, 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 National Public Gas Agency'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 National Public Gas Agency'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 management's discussion and analysis 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 GAAS, 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.

Forvis Mazars, LLP

**Lincoln, Nebraska
May 19, 2026**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis on the following pages summarizes the financial highlights and focuses on factors that had a material effect on the financial condition of National Public Gas Agency (NPGA) and the results of operations for the years ended March 31, 2026, 2025 and 2024. This discussion should be read in conjunction with the accompanying financial highlights, the basic financial statements and notes to the financial statements.

Summary of the Financial Statements

The financial statements, related notes to the financial statements and management's discussion and analysis provide information about NPGA's financial position and activities.

Management's Discussion and Analysis – provides an objective and easily readable analysis of the financial activities of NPGA based on currently known facts, decisions or conditions.

Balance Sheets – provide a summary of NPGA's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position.

Statements of Revenues, Expenses and Changes in Net Position – present the operating results of NPGA into various categories of operating revenues and expenses, and non-operating revenues.

Statements of Cash Flows – report the cash provided by and used for operating activities, as well as other cash sources such as investment return.

Notes to the Financial Statements – provide additional disclosures and information that is essential to a full understanding of the data provided in the statements.

Financial Analysis

The following comparative condensed financial statements summarize NPGA's financial position and operating results for the years ended March 31, 2026, 2025 and 2024.

Condensed Balance Sheets and Financial Highlights

	March 31,			Change	
	2026	2025	2024	From 2025 to 2026	From 2024 to 2025
Current assets	\$4,529,260	\$5,278,185	\$4,853,930	\$ (748,925)	\$ 424,255
Noncurrent assets	-	262,000	-	(262,000)	262,000
Deferred outflows of resources	529,000	-	2,082,000	529,000	(2,082,000)
Total assets and deferred outflows of resources	<u>\$5,058,260</u>	<u>\$5,540,185</u>	<u>\$6,935,930</u>	<u>\$ (481,925)</u>	<u>\$ (1,395,745)</u>
Current liabilities	\$1,661,517	\$1,455,617	\$3,445,950	\$ 205,900	\$ (1,990,333)
Noncurrent liabilities	210,000	-	529,000	210,000	(529,000)
Deferred inflows of resources	-	1,019,000	-	(1,019,000)	1,019,000
Net position - unrestricted	3,186,743	3,065,568	2,960,980	121,175	104,588
Total liabilities, deferred inflows of resources and net position	<u>\$5,058,260</u>	<u>\$5,540,185</u>	<u>\$6,935,930</u>	<u>\$ (481,925)</u>	<u>\$ (1,395,745)</u>

Current and noncurrent assets, deferred outflows of resources, current and noncurrent liabilities, and deferred inflows of resources are impacted by the volume of and changes in the fair value of derivative instruments. Derivative instruments consist of commodity swaps NPGA uses to hedge changes in cash flows and reduce exposure due to fluctuations in the market price of natural gas. The volatility of the

price of natural gas at each year end compared to the trade price for the derivative instruments resulted in the negative fair value of derivative instruments in 2026 and 2024 and positive fair value of derivative instruments in 2025. The fair value of derivative instruments was negative in 2026 and 2024 resulting in deferred outflows of resources and current and noncurrent liabilities. The fair value of derivative instruments was positive in 2025 resulting in current and noncurrent assets and deferred inflows from derivative instruments.

In addition to the impact of the change in fair value of derivative instruments, current assets increased in 2026 due to an increase in gas in storage offset by less cash on hand and an increase in accounts receivable. In 2025, current assets increased due to more cash on hand offset by a decrease in accounts receivable and gas in storage.

The change in current liabilities also includes the impact of natural gas prices and volumes purchased to meet needs of members and customers resulting in fluctuations in accounts payable and storage deposits. Accounts payable is lower in 2026 and 2025 due to lower volumes purchased at year end. NPGA members provide cash deposits to fund the gas in storage purchased by NPGA. The cost of gas in storage is higher in 2026 compared to 2025 which results in an increase in storage deposits held. The cost of gas in storage is lower in 2025 compared to 2024 which results in a decrease in storage deposits held.

Condensed Statements of Revenues, Expenses and Changes in Net Position and Financial Highlights

	March 31,			Change	
	2026	2025	2024	From 2025 to 2026	From 2024 to 2025
Sales volumes (MMBtu)	2,117,329	2,320,513	2,335,865	(203,184)	(15,352)
Operating revenues	\$ 7,589,360	\$ 8,690,845	\$ 8,945,532	\$ (1,101,485)	\$ (254,687)
Operating expenses	7,566,445	8,680,247	8,986,662	(1,113,802)	(306,415)
Operating income (loss)	22,915	10,598	(41,130)	12,317	51,728
Investment return	98,260	93,990	103,995	4,270	(10,005)
Change in net position	\$ 121,175	\$ 104,588	\$ 62,865	\$ 16,587	\$ 41,723

The fluctuation in sales volumes results from changes in demand primarily driven by weather conditions.

The decrease in operating revenues and operating expenses in 2026 related to lower sales volumes and lower average natural gas prices compared to 2025. The decrease in operating revenues and operating expenses in 2025 related to lower sales volumes and lower average natural gas prices compared to 2024.

Fluctuations in investment return relate to fluctuations in interest rates and balances in various investment options each fiscal year. The average interest rate in 2026 was comparable to the average rate in 2025. Interest rates declined in 2025 resulting in lower investment return compared to 2024.

General Trends and Significant Events

Natural gas market conditions tightened materially during fiscal 2026, with Henry Hub prices higher and more volatile than the prior fiscal year. Based on the United States of America (U.S.) Energy Information Administration (EIA) monthly Henry Hub spot price data, the 2026 fiscal-year average rose to \$3.69/MMBtu, driven by stronger winter demand and episodic supply disruptions. Prices spiked in

late January 2026, setting the stage for winter peak of \$7.72/MMBtu amid widespread cold and Winter Storm Fern, which coincided with a record weekly storage withdrawal for the week ending January 30. After the January drawdown, milder weather in February and March moderated withdrawals, and EIA estimated end-of-season working gas in storage at approximately 1,890 billion cubic feet (Bcf) to enter the April injection season about 3 percent above the prior five-year average. Supply fundamentals also strengthened. Based on EIA's Short Term Energy Outlook (STEO) monthly data, U.S. marketed natural gas production reached a new record in calendar 2025, averaging 118.5 Bcf/day. On the demand side, EIA STEO monthly data indicates total U.S. natural gas consumption averaged a record 92 Bcf/day in calendar 2025. Exports remained a central demand driver. Based on EIA STEO monthly data, U.S. liquefied natural gas (LNG) gross exports averaged about 15.1 Bcf/day during calendar 2026 as liquefaction utilization remained high and new capacity ramped up late in the fiscal year. The widening spread between domestic and international prices as a result of continued disruptions to LNG exports through the Strait of Hormuz encourages increased LNG exports from the United States, although capacity is constrained. EIA forecasts 2026 LNG exports will total 17 Bcf/day and grow to 18.6 Bcf/day in 2027.

Risk Management Practices

NPGA is subject to various risks inherent in the natural gas business, including market risk, operating risk, regulatory and political risks, credit risk and interest risk.

Natural gas prepay transactions provide a means in which NPGA may purchase gas at an expected discount from the market.

NPGA has entered into natural gas supply contracts as part of projects to obtain long-term supplies of natural gas, at a discount, pursuant to prepaid natural gas purchase and sale agreements. The contract term is generally the earlier of 30 years or an early termination date defined per the terms of the agreement. NPGA has gas supply contracts with a joint action agency and a natural gas acquisition authority to purchase daily contracted quantities at a set discount. NPGA's continued participation in the gas supply contracts through the remaining contract periods is subject to the ability of each respective organization to supply gas at a minimum discount during each defined reset period.

NPGA has entered into a natural gas production sharing agreement with a nonprofit corporation. The agreement is supported by related agreements with specific members of NPGA who chose to participate.

NPGA also utilizes natural gas commodity swap transactions to manage risks associated with natural gas markets. NPGA's commodity swaps outstanding as of March 31, 2026 have effective dates beginning in May 2026 and extending through March 2029.

NPGA will continue to evaluate hedging opportunities, natural gas prepay transactions and other short-term and long-term commitments to manage forward exposure to commodity price risk for members and customers.

Report Purpose and Contact Information

This financial report is designed to provide member municipalities, other customers and counterparties with a general overview of NPGA's financial status for the fiscal years 2026, 2025 and 2024. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance and Accounting at 8377 Glynoaks Dr., Lincoln, Nebraska 68516.

National Public Gas Agency

Balance Sheets

March 31, 2026 and 2025

	2026	2025
Assets and Deferred Outflows of Resources		
Current Assets		
Cash equivalents	\$ 2,577,051	\$ 2,664,481
Accounts receivable	1,335,047	1,465,427
Gas in storage	617,162	391,277
Fair value of derivative instruments	-	757,000
Total current assets	4,529,260	5,278,185
Noncurrent Assets		
Fair value of derivative instruments	-	262,000
Deferred Outflows of Resources		
Deferred outflows from derivative instruments	529,000	-
Total assets and deferred outflows of resources	\$ 5,058,260	\$ 5,540,185
Liabilities, Deferred Inflows of Resources and Net Position		
Current Liabilities		
Accounts payable and accrued expenses	\$ 592,586	\$ 963,977
Storage deposits	738,000	438,000
Due to coalition members	11,931	53,640
Fair value of derivative instruments	319,000	-
Total current liabilities	1,661,517	1,455,617
Noncurrent Liabilities		
Fair value of derivative instruments	210,000	-
Deferred Inflows of Resources		
Deferred inflows from derivative instruments	-	1,019,000
Net Position		
Unrestricted	3,186,743	3,065,568
Total liabilities, deferred inflows of resources and net position	\$ 5,058,260	\$ 5,540,185

National Public Gas Agency
Statements of Revenues, Expenses and Changes in Net Position
Years Ended March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Operating Revenues		
Gas supply	\$7,589,360	\$8,690,845
Operating Expenses		
Cost of gas sold	6,987,500	8,110,398
Administrative and general	578,945	569,849
Total operating expenses	<u>7,566,445</u>	<u>8,680,247</u>
Operating Income	<u>22,915</u>	<u>10,598</u>
Nonoperating Revenues		
Investment return	<u>98,260</u>	<u>93,990</u>
Change in Net Position	121,175	104,588
Net Position, Beginning of Year	<u>3,065,568</u>	<u>2,960,980</u>
Net Position, End of Year	<u><u>\$3,186,743</u></u>	<u><u>\$3,065,568</u></u>

National Public Gas Agency

Statements of Cash Flows

Years Ended March 31, 2026 and 2025

	2026	2025
Operating Activities		
Cash received from members and customers	\$ 6,036,992	\$ 7,274,685
Cash paid to suppliers	(5,614,073)	(6,213,840)
Cash received under agent transactions	1,981,954	1,987,277
Cash paid under agent transactions	(1,981,954)	(1,987,277)
Cash paid to coalition members	(609,403)	(564,218)
Net cash provided by (used in) operating activities	(186,484)	496,627
Investing Activities		
Interest received on investments	99,054	93,882
Net cash provided by investing activities	99,054	93,882
Increase (Decrease) in Cash Equivalents	(87,430)	590,509
Cash Equivalents, Beginning of Year	2,664,481	2,073,972
Cash Equivalents, End of Year	\$ 2,577,051	\$ 2,664,481
Reconciliation of Operating Income to Net Cash Provided By (Used In) Operating Activities		
Operating Income	\$ 22,915	\$ 10,598
Changes in operating assets and liabilities		
Accounts receivable	129,586	828,117
Gas in storage	(225,885)	95,245
Accounts payable and accrued expenses	(371,391)	(183,646)
Storage deposits	300,000	(257,000)
Due to coalition members	(41,709)	3,313
Net Cash Provided By (Used In) Operating Activities	\$ (186,484)	\$ 496,627

National Public Gas Agency

Notes to Financial Statements

March 31, 2026 and 2025

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

Nature of Operations

National Public Gas Agency (“NPGA” or “Agency”) was established under provisions of the Interlocal Cooperation Act of Nebraska (Act) for the purpose of providing local governments the opportunity to cooperate with other localities to obtain a mutual advantage in the ability of the entity to meet its gas supply needs. NPGA sells gas to its members in the states of Nebraska, Colorado and Kansas. NPGA also sells gas to other local governments in the states of Colorado, Kansas, Oklahoma and Wyoming.

Reporting Entity

In evaluating how to define the Agency, for financial reporting purposes, management has considered all potential component units for which financial accountability may exist. The determination of financial accountability includes consideration of a number of criteria, including: (1) the Agency’s ability to appoint a voting majority of another entity’s governing body and to impose its will on that entity, (2) the potential for that entity to provide specific financial benefits to or impose specific financial burdens on the Agency and (3) the entity’s fiscal dependency on the Agency.

NPGA, Nebraska Municipal Power Pool (NMPP), Municipal Energy Agency of Nebraska (MEAN) and Public Alliance for Community Energy (ACE), comprise a coalition referred to by the trade name NMPP Energy. This coalition of entities provides energy-related services to communities while sharing facilities and management personnel. None of the organizations included in NMPP Energy are responsible for the obligations, liabilities or debts of any of the other organizations in the coalition. Based upon the above criteria, none of the organizations are considered component units of any of the other organizations.

Basis of Accounting and Presentation

NPGA’s activities are accounted for using the economic resources measurement focus and the accrual basis of accounting. NPGA’s accounting records are maintained in accordance with accounting principles generally accepted in the United States of America for regulated utilities and generally follow the Uniform System of Accounts for Public Utilities and Licensees prescribed by the Federal Energy Regulatory Commission (FERC). NPGA prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB).

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 of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

NPGA considers all highly liquid investments with an original maturity of three months or less at the date of purchase to be cash equivalents. At March 31, 2026 and 2025, cash equivalents consisted of a money market mutual fund.

National Public Gas Agency

Notes to Financial Statements

March 31, 2026 and 2025

Investments and Investment Return

Investments in money market mutual funds are carried at cost, which approximates fair value. Fair value is determined using quoted market prices. Investment return consists of interest income.

Accounts Receivable

Accounts receivable are stated at the amount billed to members and customers. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Accounts past due more than 120 days are considered delinquent. Delinquent receivables are charged off as they are deemed uncollectible. NPGA does not believe an allowance for doubtful accounts is necessary at March 31, 2026 and 2025, as there were no delinquent accounts.

Gas in Storage

Contracts with certain interstate pipeline suppliers include a storage component. Gas in storage consists of natural gas purchased for the benefit of members with contracted storage. The quantity in storage is valued at the weighted-average cost by member.

Storage Deposits

Storage deposits consists of cash payments made by members to provide funding for the purchase of natural gas in storage. Cash requirements are evaluated on a monthly basis and received from the members as natural gas is injected into storage and returned to the members as natural gas is withdrawn from storage.

Derivative Instruments

Derivative instruments are utilized by NPGA to manage market risk and reduce exposure resulting from fluctuations in prices of natural gas. These instruments include commodity swap agreements. Additional information regarding these instruments is shown in Note 5.

Net Position Classification

Net position is required to be classified into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in capital assets - consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. NPGA had no net investment in capital assets at March 31, 2026 and 2025.

Restricted - consists of restricted assets and deferred outflows, reduced by liabilities and deferred inflows related to those assets, with constraints placed on their use either by a) external groups such as creditors (such as through debt covenants), contributors, or laws or regulations of other governments or b) law through constitutional provisions or enabling legislation. There are no components of net position at March 31, 2026 and 2025 that meet the restricted definition.

Unrestricted - consists of the assets and deferred outflows, and liabilities and deferred inflows that are not included in the investment in capital assets or restricted components of net position.

Classification of Revenues

Operating revenues include revenues resulting from the purchase and delivery of gas supplies to members and customers. Nonoperating revenues include those derived from capital and related financing, noncapital financing and investing activities other than capital contributions from members.

National Public Gas Agency

Notes to Financial Statements

March 31, 2026 and 2025

Rates and Charges

NPGA annually determines its wholesale gas supply rates and charges to recover costs of providing natural gas service. Rates and charges for providing wholesale gas supply are reviewed and adopted by NPGA's Board of Directors. The cost of natural gas to NPGA is recovered through NPGA's rates and charges which includes a monthly gas cost adjustment mechanism. Variances between the stated rate for NPGA members and actual costs are recovered from, or returned to, NPGA's members. The transportation costs and charges incurred by NPGA are for certain members and are charged to the individual members.

Income Taxes

In accordance with certain provisions of the Internal Revenue Code and the Act and related governing laws and regulations, NPGA, as a local government entity, is exempt from federal and state income taxes.

Note 2: Deposits, Investments, and Investment Return

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. NPGA's deposit policy for custodial credit risk requires compliance with the provisions of state law. State statutes require banks either to give bond or to pledge government securities to NPGA in the amount of NPGA's deposits. The Federal Deposit Insurance Corporation (FDIC) insures transaction accounts for government deposits up to \$250,000 per official custodian at each covered institution. NPGA did not have deposits at March 31, 2026 and 2025.

Investments

NPGA's investing is performed in accordance with the investment policy adopted by its Board of Directors and applicable laws of the State of Nebraska. Approved investments are outlined in the investment policy and include bills, notes, bonds or other obligations which as to principal and interest constitute direct obligations of the United States of America (U.S.), municipal bonds, bonds or other obligations which as to principal and interest are guaranteed by the U.S., certain senior obligations issued or guaranteed by noted federal organizations, commercial paper, certificates of deposit and time deposits of any U.S. depository institution or trust company, and certain money market mutual fund accounts. Should investment opportunities arise, that are not listed in the investment policy, investment consent is required through the approval of two of the following: Chair of the Board of Directors, Secretary-Treasurer of the Board of Directors or NPGA Executive Director.

At March 31, 2026 and 2025, NPGA's investments consisted of a money market mutual fund – U.S. government obligations with a carrying value of \$2,577,051 and \$2,664,481, respectively. The money market mutual fund had a credit rating of Aaa-mf by Moody's Investor's Service and AAAM by S&P Global Ratings at both March 31, 2026 and 2025.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. NPGA's investment policy does not place a limit on the amount that may be invested in any one maturity category. NPGA's investment policy limits the investment term to a maximum of two years. 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.

National Public Gas Agency

Notes to Financial Statements

March 31, 2026 and 2025

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. NPGA's investment policy establishes requirements for certain investment securities or issuers of securities to be rated at certain rates or higher. The following investment types must be rated at the minimum rates noted below:

Commercial paper	A-1, P-1
Municipal bonds	AA-

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, NPGA would not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All investments are held in safekeeping in NPGA's name, in a broker account with NPGA's primary financial institution.

Concentration of Credit Risk - Concentration of credit risk is the risk associated with the amount of investments NPGA has with any one issuer that exceeds 5% or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government are excluded from this requirement. In accordance with NPGA's investment policy, investments in negotiable certificates of deposit are limited to \$250,000 to allow for coverage by FDIC insurance. In addition, NPGA's investment policy limits the amount of its investment portfolio that may be invested in any one issuer, other than U.S. government securities, to \$500,000.

Summary of Carrying Values

The carrying values of NPGA's investments at March 31, 2026 and 2025 are \$2,577,051 and \$2,664,481, respectively. NPGA's investments are included in cash equivalents on the balance sheets at March 31, 2026 and 2025.

Investment Return

Investment return for the years ended March 31, 2026 and 2025 consisted of interest income of \$98,260 and \$93,990, respectively.

Note 3: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Investments

Money market mutual funds are carried at cost, and thus not included within the fair value hierarchy.

National Public Gas Agency
Notes to Financial Statements
March 31, 2026 and 2025

Derivative Instruments

The fair values of NPGA’s cash flow hedges are estimated using forward-looking natural gas curves and discounted cash flows that are observable or can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy at March 31, 2026 and 2025.

Note 4: Transactions with Coalition Members

NPGA, NMPP, MEAN and ACE through common members and management comprise a coalition. NPGA shares personnel and facilities within this coalition, as well as enters into agreements for certain products and services.

NPGA incurred expenses of approximately \$520,000 for administrative services and rents provided by coalition members during both 2026 and 2025.

A summary of amounts due to coalition members at March 31, 2026 and 2025 is as follows:

	2026	2025
Due to MEAN	\$ 10,934	\$ 17,290
Due to NMPP	997	36,350
Due to coalition members	<u>\$ 11,931</u>	<u>\$ 53,640</u>

Note 5: Derivative Instruments

NPGA has entered into commodity swaps to hedge changes in cash flows and reduce exposure due to fluctuations in the market price of natural gas. These commodity swaps are considered derivative instruments under the provisions of GASB Codification Section D40, *Derivative Instruments*. The fair values of the commodity swaps are based on forward prices from established indexes for the applicable region and discounted using established interest rate indexes. The fair value of NPGA’s derivative instruments at March 31, 2026 and 2025 is \$(529,000) and \$1,019,000, respectively.

Cash Flow Hedges - Cash flow hedges are derivative instruments associated with a hedgeable item that significantly reduce an identified financial risk by substantially offsetting changes in cash flows or fair values of the hedgeable item. At March 31, 2026, the negative fair value of commodity swaps considered cash flow hedges is classified as a current and noncurrent liability on the balance sheet, with an offsetting deferred outflows of resources for the same amount. At March 31, 2025, the positive fair value of commodity swaps considered cash flow hedges is classified as a current and noncurrent asset on the balance sheet, with an offsetting deferred inflows of resources for the same amount. The change in fair value of cash flow hedges was a decrease of \$1,548,000 for 2026 and an increase of \$3,101,000 for 2025. The change in fair value is reflected within deferred outflows from derivative instruments in 2026 and deferred inflows from derivative instruments in 2025.

During 2026 and 2025, NPGA had pay-fixed, receive variable commodity swaps with a national energy corporation. NPGA pays the predetermined fixed price and the counterparty pays the variable price, which is based on the NYMEX natural gas settlement price for the contractual month.

National Public Gas Agency**Notes to Financial Statements****March 31, 2026 and 2025**

Credit risk – For any swaps with a positive fair value, NPGA would be exposed to credit risk in the amount of the fair value of the swaps. NPGA reduces its exposure to credit risk by requiring the counterparty to maintain credit ratings as defined in contract documents. As of March 31, 2026 and 2025, the counterparty was rated A- by S&P Global Ratings and A1 by Moody's Investors Service. The counterparty is exposed to credit risk for the swaps with a negative fair value. In accordance with the agreement with the counterparty, NPGA would be required to post collateral if the negative fair value exceeds \$5,000,000. NPGA was not exposed to credit risk at March 31, 2026, as the swaps had a negative fair value. NPGA has mitigated its credit risk due to the positive fair value at March 31, 2025 by verifying the credit rating of its counterparty.

Termination risk - NPGA or the counterparties may terminate the swaps if either party fails to perform as outlined in the terms of the contracts. If a swap agreement is terminated, each party will make the calculations on its part and will provide to the other party a statement showing relevant quotations and specifying any amount payable according to the applicable swap agreements.

Basis risk - NPGA is exposed to basis risk on the swaps because the variable payments on the commodity swaps are based on the Henry Hub pricing point, which is different than the varying pricing points used by NPGA for its natural gas purchases. The basis difference can vary depending on the geographical location of the pricing point.

NPGA's derivative instruments at March 31, 2026 consist of cash flow hedges with the following terms:

Fiscal Year	Monthly Settlement	Total MMBtu	Fixed Price per MMBtu
2026-2027	May 2026 - March 2027	1,043,785	\$3.510 - \$4.315
2027-2028	April 2027 - March 2028	892,140	\$3.600 - \$4.315
2028-2029	April 2028 - March 2029	312,000	\$3.630 - \$3.960

NPGA's derivative instruments at March 31, 2025 consist of cash flow hedges with the following terms:

Fiscal Year	Monthly Settlement	Total MMBtu	Fixed Price per MMBtu
2025-2026	May 2025 - March 2026	1,124,120	\$3.480 - \$5.060
2026-2027	April 2026 - March 2027	871,435	\$3.510 - \$4.380
2027-2028	April 2027 - March 2028	316,140	\$3.600 - \$4.125

Note 6: Gas Supply

Gas supply for the years ended March 31, 2026 and 2025 was as follows:

	2026	2025
Members	\$ 7,194,349	\$ 8,239,497
Customers	395,011	451,348
	<u>\$ 7,589,360</u>	<u>\$ 8,690,845</u>

NPGA has natural gas supply agreements for total requirements supply with members and customers under various terms and rate schedules. As of March 31, 2026 and 2025, NPGA had agreements with 13 members.

National Public Gas Agency**Notes to Financial Statements****March 31, 2026 and 2025****Note 7: Natural Gas Costs and Commitments**

Cost of gas sold for the years ended March 31, 2026 and 2025 was as follows:

	<u>2026</u>	<u>2025</u>
Purchased gas	\$ 6,674,114	\$ 6,651,215
Production	96,135	41,201
Commodity swaps, net	27,250	1,259,853
Transportation	190,001	158,129
	<u>\$ 6,987,500</u>	<u>\$ 8,110,398</u>

Purchased Gas

NPGA's natural gas requirements are purchased through contracts with various natural gas suppliers. NPGA's contracts with natural gas suppliers provide for the pricing of natural gas purchases primarily based on nationally publicized indices plus or minus applicable premiums and discounts.

At March 31, 2026, NPGA has contracts with a natural gas supplier to purchase fixed monthly volumes, varying by month, from April 2026 through March 2028 at a fixed price per MMBtu. The total value of the contracts is approximately \$287,000.

NPGA has entered into gas supply contracts as part of projects to obtain long-term supplies of natural gas, at a discount, pursuant to prepaid natural gas purchase and sale agreements. NPGA's continued participation in the gas supply contracts through the earlier of the contract term or an early termination date defined per the terms of the agreement, is subject to the ability of the counterparty to supply gas at a minimum discount during each defined reset period.

NPGA has gas supply contracts with a joint action agency to purchase daily contracted quantities at various set discounts for certain periods as defined per the terms of the agreements. The contract terms are the earlier of a specified date or an early termination date defined per the terms of the agreements. The following is a summary of certain provisions of the agreements:

<u>Average Daily Contracted Quantity (MMBtu)</u>	<u>Initial Discount Period</u>	<u>Contract Term</u>
500	February 2020 through August 2026	January 31, 2050
500	April 2022 through November 2028	March 31, 2052
500	April 2024 through November 2030	March 31, 2054
401	June 2024 through August 2031	March 31, 2054

During the years ended March 31, 2026 and 2025, NPGA purchased approximately 693,000 and 657,000 MMBtu, respectively, under the agreements.

NPGA has a gas supply contract with a natural gas acquisition authority to purchase a daily contracted quantity of 1,000 MMBtu at a set discount. The initial discount period was April 2019 through November 2024. The current discount period is December 2024 through June 2032. The contract term is the earlier of November 30, 2054 or an early termination date defined per the terms of the agreement. NPGA purchased approximately 365,000 MMBtu under the agreement during both 2026 and 2025.

National Public Gas Agency

Notes to Financial Statements

March 31, 2026 and 2025

Production

NPGA has entered into a natural gas production sharing agreement with a nonprofit corporation whereby NPGA has a participation share of 2.2%. Purchase requirements are subject to production availability and have been eliminated. The natural gas production sharing agreement obligates NPGA to pay its participation share of all costs incurred by the related gas supply pool until all related debt has been paid and the last volumes have been delivered. Debt is outstanding through 2026 and is expected to be extended. During the year ended March 31, 2026 and 2025, NPGA paid assessments of \$96,135 and \$41,201 which were billed out to member participants.

Commodity Swaps

NPGA pays the predetermined fixed price and the counterparty pays the variable price, which is based on the NYMEX natural gas settlement price for the contractual month. The amount included in cost of gas sold represents the net amount of commodity swaps settled.

Transportation

NPGA contracts with certain interstate pipeline suppliers for the transportation and storage of its natural gas requirements. NPGA has entered into Asset Management Arrangements (AMA) with natural gas suppliers resulting in payment and consideration for the release of transportation capacity on three interstate pipelines. The terms of the agreements vary by pipeline. Payments received under the AMA are netted against the transportation costs incurred. The transportation costs and charges incurred by NPGA are for certain members and are charged to the individual members. As of March 31, 2026, NPGA has AMAs that cover April 1, 2026 to October 31, 2027; an AMA with a term of April 1, 2026 through March 31, 2027 with an automatic annual extension unless terminated in accordance with the contract notice provisions; and, AMAs that cover November 2025 through October 2027.

NPGA has contracted to collect payments for transportation of natural gas on behalf of certain members and customers and remits these payments to the respective interstate pipeline supplier. Since NPGA is only acting as an agent, these amounts are not reflected as revenue or expense in the statements of revenues, expenses and changes in net position. The transportation purchased by the members and customers, that NPGA was responsible for collecting and remitting to the respective transportation suppliers, totaled approximately \$1,982,000 and \$1,987,000 during 2026 and 2025, respectively.

Note 8: Risk Management

NPGA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees and others; and natural disasters. NPGA is named as one of the insureds on joint policies for commercial insurance, subject to certain limits and deductibles, to reduce the financial impact for claims arising from such matters. None of the claims submitted against this commercial coverage in any of the three preceding years were specific to or material to NPGA. All such claims were submitted for losses incurred in the normal course of business.

National Public Gas Agency

Notes to Financial Statements

March 31, 2026 and 2025

Note 9: Significant Concentrations

Information regarding major members and customers is provided for those members and customers who individually exceed 10% of NPGA's annual revenues from gas supply or accounts receivable balances at year-end.

At March 31, 2026, approximately \$505,000 or 38% of total accounts receivable were owed by two members. Two members owed a total of \$716,000 or 49% of total accounts receivable at March 31, 2025.

For the year ended March 31, 2026, two members comprised approximately \$3,371,000 or 44% of total revenues from gas supply. Two members comprised approximately \$4,130,000 or 48% of total revenues from gas supply for the year ended March 31, 2025.

Forvis Mazars Report to the Board of Directors and Management

National Public Gas Agency

Results of the 2026 Financial Statement Audit, Including Required Communications

March 31, 2026

Required Communications Regarding Our Audit Strategy & Approach (AU-C 260)

Overview & Responsibilities

Matter	Discussion
Scope of Our Audit	<p>This report covers audit results related to your financial statements:</p> <ul style="list-style-type: none"> • As of and for the year ended March 31, 2026. • Conducted in accordance with our contract dated January 5, 2026.
Our Responsibilities	<p>Forvis Mazars is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).</p>
Audit Scope & Inherent Limitations to Reasonable Assurance	<p>An audit performed in accordance with auditing standards generally accepted in the United States of America (GAAS) is designed to obtain reasonable, rather than absolute, assurance about the financial statements. The scope of our audit tests was established in relation to the financial statements taken as a whole and did not include a detailed audit of all transactions.</p>
Extent of Our Communication	<p>In addition to areas of interest and noting prior communications made during other phases of the engagement, this report includes communications required in accordance with GAAS that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, including audit approach, results, and internal control. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.</p>
Independence	<p>The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.</p>
Your Responsibilities	<p>Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.</p>

Matter	Discussion
Distribution Restriction	<p>This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties:</p> <ul style="list-style-type: none"> • Board of Directors and Management • Others within the Agency

Other Information Accompanying the Audited Financial Statements

Drafts of the annual report were not available to us as of the date we issued our auditor's report.

We have requested that management provide the documents to us when available, in order to allow us to complete our required procedures on the information. We will have no obligation to reissue our report upon completion of these procedures to include the results of our procedures performed on the final document.

However, if we identify material inconsistencies that indicate that the audited financial statements were misstated, then we will be required to evaluate the nature and magnitude of the misstatement to determine if a restatement of the previously issued financial statements is warranted.

Qualitative Aspects of Significant Accounting Policies & Practices

Significant Accounting Policies

Significant accounting policies are described in Note 1 of the audited financial statements.

With respect to new accounting standards adopted during the year, we call to your attention the following topics:

- Governmental Accounting Standards Board Statement No. 102, *Certain Risk Disclosures*

Unusual Policies or Methods

With respect to significant unusual accounting policies or accounting methods used for significant unusual transactions (significant transactions outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature), we noted the following:

- No matters are reportable

Alternative Accounting Treatments

We had discussions with management regarding alternative accounting treatments within GAAP for policies and practices for material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

- No matters are reportable

Management Judgments & Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. Significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates include:

- Calculation of fair value of derivative instruments in accordance with Governmental Accounting Standards Board (GASB) Codification Section D40, *Derivative Instruments*

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Transactions with coalition members (related parties)
- Derivative instruments
- Significant concentrations (major members and customers)

Our Judgment About the Quality of the Entity's Accounting Principles

During the course of the audit, we made the following observations regarding the Entity's application of accounting principles:

- No matters are reportable

Adjustments Identified by Audit

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.

A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Proposed & Recorded Adjustments

Auditor-proposed and management-recorded entries include the following:

- No matters are reportable

Uncorrected Misstatements

- No uncorrected misstatements to report

Other Required Communications

Other Material Communication

Listed below is an other material communication between management and us related to the audit:

- Management representation letter (see Attachment)

Attachment

Management Representation Letter (Attachment A)

As a material communication with management, included herein is a copy of the representation letter provided by management at the conclusion of our engagement.

Representation of:

National Public Gas Agency
8377 Glynoaks Drive
Lincoln, Nebraska 68516

Provided to:

Forvis Mazars, LLP
Certified Public Accountants
Union Bank Place, 1248 O Street, Suite 1040
Lincoln, Nebraska 68508

The undersigned (“We”) are providing this letter in connection with Forvis Mazars’ audits of our financial statements as of and for the years ended March 31, 2026 and 2025.

Our representations are current and effective as of the date of Forvis Mazars’ report: May 19, 2026.

Our engagement with Forvis Mazars is based on our contract for services dated: January 5, 2026.

Our Responsibility & Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to Forvis Mazars’ report in conformity with accounting principles generally accepted in the United States of America.

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

Confirmation of Matters Specific to the Subject Matter of Forvis Mazars’ Report

We confirm, to the best of our knowledge and belief, the following:

Broad Matters

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
 - b. Internal control to prevent and detect fraud.

National Public Gas Agency
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3. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. All minutes of Board of Directors and Joint Operating Committee meetings, if any, held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the Board of Directors and Joint Operating Committee, if applicable, and maintained as part of our records.
 - e. All significant contracts.
4. We have disclosed to you all instances in which artificial intelligence (AI) systems or tools were used related to financial reporting, internal controls, and other processes relevant to the financial statements. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls related to the use of AI.
5. We have responded fully and truthfully to all your inquiries.

Misappropriation, Misstatements, & Fraud

6. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
 - a. Misappropriation of assets.
 - b. Misrepresented or misstated assets, deferred outflows of resources, liabilities, deferred inflows of resources, or net position.
7. We have no knowledge of fraud or suspected fraud affecting the entity involving:
 - a. Management or employees who have significant roles in internal control over financial reporting, or
 - b. Others when the fraud could have a material effect on the financial statements.
8. We understand that the term “fraud” includes misstatements arising from fraudulent financial reporting and misstatements arising from misappropriation of assets. Misstatements arising from fraudulent financial reporting are intentional misstatements, or omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements arising from misappropriation of assets involve the theft of an entity’s assets where the effect of the theft causes the financial statements not to be presented in conformity with accounting principles generally accepted in the United States of America.
9. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, customers, analysts, regulators, suppliers, or others.

National Public Gas Agency
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10. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.

Ongoing Operations

11. We have evaluated whether there are conditions or events known or reasonably knowable, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year of the date of the financial statements and known facts thereafter without consideration of potential mitigating effects of management's plans and concluded substantial doubt does not exist.

Related Parties

12. We have disclosed to you the identity of all of the entity's related parties and all the related-party relationships of which we are aware.

In addition, we have disclosed to you all related-party transactions and amounts receivable from or payable to related parties of which we are aware, including any modifications during the year that were made to related-party transaction agreements which existed prior to the beginning of the year under audit, as well as new related-party transaction agreements that were executed during the year under audit.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

13. We understand that the term related party refers to:

- Affiliates
- Board members and members of their immediate families
- Management and members of their immediate families
- Any other party with which the entity may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Another party is also a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the entity.

Litigation, Laws, Rulings & Regulations

14. We are not aware of any pending or threatened litigation or claims whose effects should be considered when preparing the financial statements. We have not sought or received attorney's services related to pending or threatened litigation or claims during or subsequent to the audit period. Also, we are not aware of any litigation or claims, pending or threatened, for which legal counsel should be sought.

National Public Gas Agency
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15. We have no knowledge of communications, other than those specifically disclosed, from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
16. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
17. We have no reason to believe the entity owes any penalties or payments under the Employer Shared Responsibility Provisions of the *Patient Protection and Affordable Care Act*, nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
18. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

Financial Statements & Reports

19. With regard to other information that is presented in the form of our annual report:
 - a. We acknowledge we have not provided you with a draft of the annual report, as of the issuance date of your auditor's report. We will provide you with the final draft of the document that has been approved by the Board of Directors, *prior to issuance*, in order for you to be able to complete your required procedures on such documents.

Transactions, Records, & Adjustments

20. All transactions have been recorded in the accounting records and are reflected in the financial statements.
21. The entity has appropriately reconciled its general ledger accounts to their related supporting information. All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements. All intracompany (and intercompany) accounts have been eliminated or appropriately measured and considered for disclosure in the financial statements.
22. We have everything we need to keep our books and records.
23. We have disclosed any significant unusual transactions the entity has entered into during the period, including the nature, terms, and business purpose of those transactions.
24. There are no uncorrected misstatements or omitted disclosures.

Governmental Accounting & Disclosure Matters

25. With regard to deposit and investment activities:
 - a. All deposit and investment transactions have been made in accordance with legal and contractual requirements.
 - b. Investments and derivative instruments are properly valued.

National Public Gas Agency
Page 5

- c. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
 - d. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
 - e. Risk disclosures associated with deposit and investment securities and derivative instrument transactions are presented in accordance with GASB requirements.
26. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
27. We have identified and evaluated all potential fiduciary activities. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.
28. Components of net position (net investment in capital assets, restricted, and unrestricted) are properly classified and, if applicable, approved.
29. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance is available and have determined that net position is properly recognized under the policy.
30. The government has appropriately considered and disclosed its vulnerabilities due to certain concentrations or constraints in accordance with GASB Statement No. 102, *Certain Risk Disclosures*.
31. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions, and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.

Accounting & Disclosure

32. All transactions entered into by the entity are final. We are not aware of any unrecorded transactions, side agreements or other arrangements (either written or oral) that are in place.
33. Except as reflected in the financial statements, there are no:
- a. Plans or intentions that may materially affect carrying values or classifications of assets, deferred outflows of resources, liabilities, deferred inflows of resources, or net position.
 - b. Material transactions omitted or improperly recorded in the financial records.

National Public Gas Agency
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- c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - d. Events occurring subsequent to the date of the financial statements through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
 - e. Agreements to purchase assets previously sold.
 - f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements.
 - g. Guarantees, whether written or oral, under which the entity is contingently liable.
 - h. Known or anticipated asset retirement obligations.
34. Except as disclosed in the financial statements, the entity has:
- a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.
 - b. Complied with all aspects of contractual agreements, for which noncompliance would materially affect the financial statements.

Revenue & Accounts Receivable

35. Adequate provisions, allowances, or other adjustments in basis have been recorded for any material losses from:
- a. Uncollectible receivables.

Estimates

36. We have identified all accounting estimates that could be material to the financial statements and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in making the accounting estimates, including those measured at fair value reported in the financial statements.
37. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that “near term” means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations, which refer to volumes of business, revenues, available sources of supply, or markets, investments, or deposits, existing at the date of the financial statements that would make the entity vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

Fair Value

38. With respect to the fair value measurements of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto:
- a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated course of action.
 - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances for financial statement measurement and disclosure purposes and have been consistently applied.
 - c. The significant assumptions appropriately reflect market participant assumptions.
 - d. The disclosures related to fair values are complete, adequate, and in conformity with accounting principles generally accepted in the United States of America.
 - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Other Matters

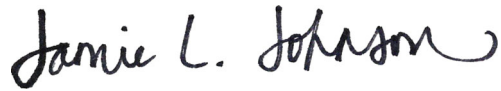
39. The allocation of salary and related party payroll costs of NPGA that are administered through Nebraska Municipal Power Pool (NMPP) and other administrative and general costs of NPGA that are administered through Municipal Energy Agency of Nebraska (MEAN) is reasonable based on service and/or benefit provided to each entity and consistent with the approved allocation of the Joint Operating Committee.
40. NPGA incurred expenses of approximately \$520,000 for administrative services provided by coalition members during 2026. NPGA shares personnel and facilities within its affiliated group, as well as enters into agreements for certain products and services. Amounts due to coalition members related to this activity at March 31, 2026 are as follows:
- Due to MEAN - \$10,934
- Due to NMPP - \$997
41. We believe the commodity swaps are effective in hedging the risk of market price fluctuations and should be considered qualifying hedging derivative instruments, as defined by GASB Codification Section D40, for financial statement presentation purposes.

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Beth Ackland, Director of Gas Operations

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Jamie Johnson, Director of Finance and Accounting

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